



Everyone's a Winner  
Buaiteoir é Gach Duine

2006 Annual Report  
Tuarascáil Bhliantúil



## Our Vision

To provide exciting and engaging lottery games that bring fun and entertainment to everyone. As a result, we aim to be the best-known brand in Ireland.

## Our Mission

To operate a world-class lottery for the people of Ireland, raising funds for good causes, on behalf of the Government.

## Our Values

- ***Integrity***

We're fair and honest in everything we do and operate to the highest professional standards in all our activities.

- ***Innovation***

We manage our business in a dynamic and progressive way that best meets the challenges of an ever-changing society.

- ***Teamwork***

We work together as a team in which everyone supports and encourages each other.

## Ár bhFís

Cluichí crannchuir spreagúla agus mealltacha a chur ar fáil, a thugann spraoi agus caitheamh aimsire do chách. Mar thoradh air sin, is mian linn bheith ar an mbranda is mó aithne in Éirinn.

## Ár Misean

Crannchur de chaighdeán domhanda a réachtáil do mhuintir na hÉireann, cistí a chruinniú do dhea-chúiseanna, thar ceann an Rialtais.

## Ár Luachanna

- ***Ionracas***

Bímid cóir agus cothrom inár gcuid oibre uile agus feidhmímid de réir na gcaighdeán proifisiúnta is airde inár gcuid gníomhaíochtaí.

- ***Nuálaíocht***

Bainistímid ár ngnó ar bhealach dinimiciúil agus forásach is fearr a fhreagraíonn do dhúshláin shochaí atá ag síor athrú.

- ***Obair Bhuíne***

Oibrímid le chéile mar fhoireann ina dtacaíonn agus ina spreagann daoine a chéile.

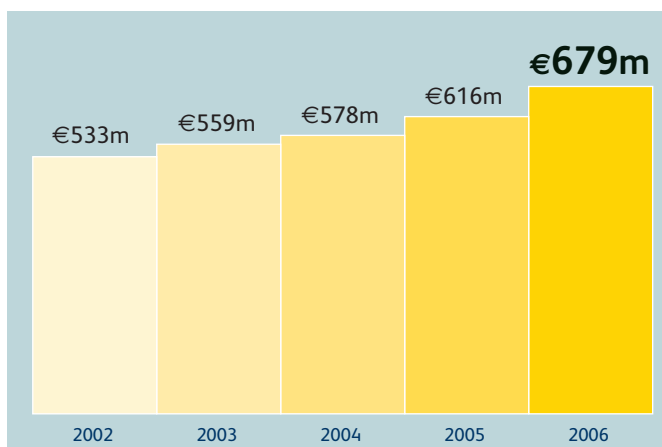


# Our Results

## Ár dTorthaí

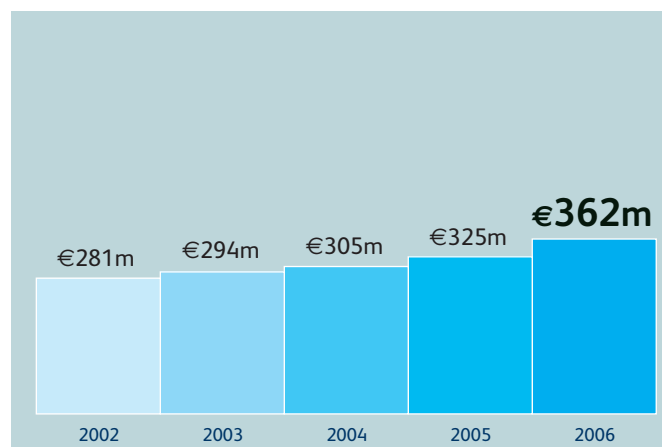
### Sales

#### Díolachán



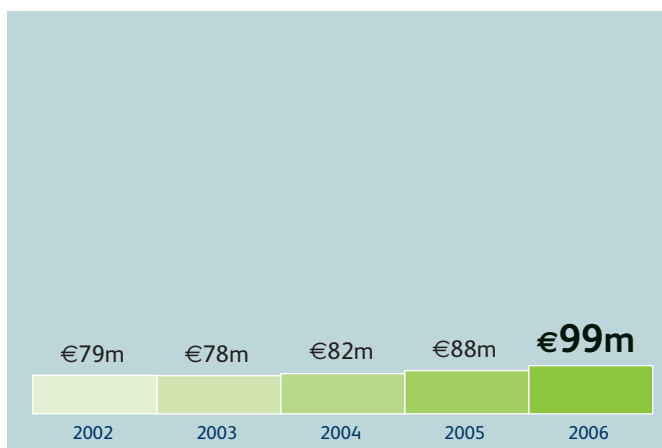
### Prizes

#### Duaiseanna



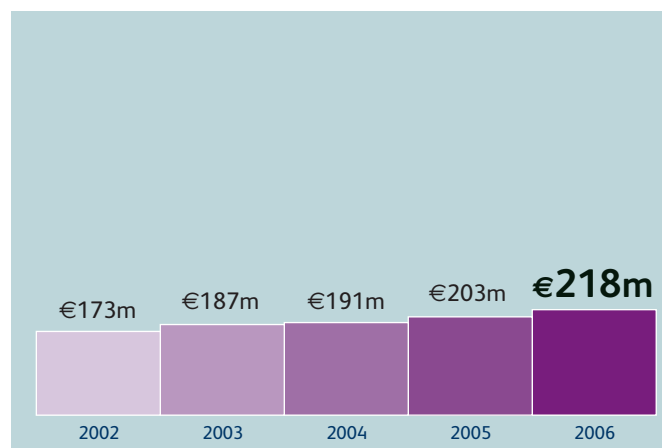
### Costs

#### Costais



### Surplus

#### Barrachas



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# Chairman's Statement

## Ráiteas an Chathaoirligh

2006 was an extremely active year for the National Lottery with changes introduced in many areas of the business. It is with great pride that we are reporting sales growth of 10.2% and record funds raised for good causes during the year. This is the largest revenue increase since 1991. It is an excellent performance and marks a step change in the continuing success of Ireland's National Lottery.

Bliain an-ghníomhach don Chrannchur Náisiúnta ba ea 2006 agus tréimhse inar tugadh isteach athruithe i go leor réimsí den ghnó. Ábhar mór bróid dúinn ardú 10.2% ar dhíolachán a bheith á thuairisciú againn maille le barrleibhéal nua cistíochta do dhea chúiseanna a bheith bainte amach i rith na bliana. Tá sé seo ar an méadú ioncain is mó ó 1991. Sár-fheidhmiú atá ann agus céim chun tosaigh ó thaobh ratha de do Chrannchur Náisiúnta na hÉireann.

Sales increased from €616.4 million to a record €679.1 million in the year under review. We continued to grow the EuroMillions game, while developing our core Lotto games and our scratch card game range. The most significant development during the year was the change to the Lotto game structure introduced in November.

In 2006 we generated funds of €217.5 million for good causes, up 7% from €203.2 million in the previous year. Of every Euro spent on National Lottery games, including EuroMillions, 32 cent is returned to good causes all over the country. Cumulatively, over the last 19 years since the launch of the National Lottery, more than €2.6 billion has been raised for good causes. This has made a measurable difference to the lives of many people living in Ireland'.

In addition to the funds raised for good causes, the National Lottery also returns money to the community through prizes paid to winners. In 2006 our players won €362.1 million in prizes, up 11.5% from €324.8 million in the previous year. That's an average of almost €1 million paid in prizes every day of the year.

Our draw based games – Lotto and EuroMillions - between them generated €507.2 million of our total sales, an increase of 16.3% from the 2005 combined figure of €436.3 million. Sales of the Lotto group of games were €361.9 million, down 4.1% from the previous year, while EuroMillions sales were up 145.7% to €145.3 million, from €59.1 million in 2005. While there was a drop of €15.3 million on overall Lotto games revenue, EuroMillions added €86.2 million to our sales. This gave a net increase of €70.9 million for draw based games

The EuroMillions game was launched in late 2004 and the enthusiasm with which it has been greeted by our players is apparent. Following the major €115 million Irish win in 2005, still the single biggest ever Lottery prize in Europe, we had two further big wins of €9.6 million each in 2006.

There was a lot of activity on the scratchcard game side of the business during 2006 with a total of 20 new games launched alongside our seven regular games. During the year we reviewed the prize structure across all our scratchcard games and introduced exciting new features for players. Sales of scratchcard games at the year end were €157.4 million accounting for 23% of total turnover.

While introducing major change initiatives during the year, operating costs were kept to 14.6% of sales, compared to the 2005 level of

Mhéadaigh an díolachán ó €616.4 milliún go dtí €679.1 milliún – buaicphointe nua – sa bhliain atá faoi chaibidil. Leanamar de bheith ag fás cluiche EuroMillions agus ag an am céanna d'fhorbraíomar ár mbunchluichí Lotto agus raon ár gcluichí scríobcháirtaí. B'é an t-athrú ar ár gcluiche Lotto, a tugadh isteach i mí na Samhna, an fhorbairt ba shuntasáí a tharla le linn na bliana.

I 2006 thuilleamar cistí dar luach €217.5 milliún do dhea-chúiseanna: méadú 7% é seo ar an €203.2 milliún a thuilleamar sa bhliain roimhe sin. Caitear 32% de gach Euro, a chaitear ar chluichí an Chrannchuir Náisiúnta, EuroMillions san áireamh, ar dhea-chúiseanna ar fud na tíre. Ó seoladh an Crannchur Náisiúnta 19 bliana ó shin cruinníodh go carnach os cionn €2.6 billiún do dhea-chúiseanna. Ní beag an difríocht a rinne sé seo d'an-chuid daoine a bhfuil cónaí orthu in Éirinn.

De bhreis ar airgead a chruinniú do dhea-chúiseanna tugann an Crannchur Náisiúnta airgead thar n-ais don phobal trí na duaiseanna a íoctar le buaiteoirí. I 2006 bhain ár n-imreoirí €362.1 milliún mar dhuaiseanna: méadú 11.5% é seo ar an €324.8 milliún sa bhliain roimhe sin. Is ionann é seo agus meán de beagnach €1 milliún a íoctar mar dhuaiseanna gach lá den bhliain.

Ghnóthaigh ár gcluichí, atá bunaithe ar chrannchuir, Lotto agus EuroMillions, €507.2 milliún d'ár ndíolachán iomlán eatarthu: méadú 16.3% é seo ar an gcomhfhigiúr de €436.3 milliún a baineadh amach i 2005. Bhí díolachán €361.9 milliún, nó titim de 4.1% ón mbliain roimhe sin, ar ghrúpa cluichí Lotto ach bhí méadú 145.7% go dtí €145.3 milliún ar dhíolachán EuroMillions ó €59.1 milliún i 2005. An fhaid is a bhí titim de €15.3 milliún ar ár n-ioncam foriomlán ó chluichí Lotto, chuir EuroMillions €86.2 milliún lenár ndíolachán. Méadú glan €70.9 milliún é seo ar ár gcluichí atá bunaithe ar chrannchuir.

Seoladh cluiche EuroMillions déanach i 2004 agus is léir cén díograis lenar glacadh leis. Anuas ar an mbua Éireannach de €115 milliún i 2005, atá fós ar an duais is mó a buadh riamh i gcrannchur san Eoraip, bhí dhá mhórbhua de €9.6 milliún an ceann againn i 2006.

Bhí an-chuid gníomhaíochta ar thaobh scríobcháirtaí an ghnó le linn 2006 agus seoladh 20 cluiche nua de bhreis ar ár seacht ngnáth-chluiche. Rinneamar athbhreithniú le linn na bliana ar struchtúr duaise ár gcluichí scríobcháirtaí ar fad agus thugamar isteach gnéithe nua spreagúla do na himreoirí. B'ionann an díolachán ar na cluichí scríobcháirtaí ag deireadh na bliana agus €157.4 milliún nó 23% den láimhdeachas iomlán.

Coinníodh na costais oibriúcháin ar leibhéal 14.6% den díolachán i gcomparáid le 14.3% i 2005. B'é €79.8 milliún costas an díolachán

**Donal Connell**

Chairman, 20 February, 2007  
Cathaoirleach, 20 Feabhra, 2007



14.3%. Our cost of sales (excluding prizes) was €79.8 million, and includes €42.1 million, or 6.2% of sales paid, to our 3,489 agents in commissions and bonuses. Cost efficiency is a priority for our business, and we were pleased to be able to keep costs well below the level permitted in our licence. Our administration costs, including salaries and office support, for 2006 were €16.8 million, or 2.5% of sales.

As our business expands the demands on our existing resources – employees, agents and systems – are ever greater, and I would like to thank all involved for their commitment and hard work in 2006. It was an extremely busy year in which a number of key changes were implemented successfully across all sectors of our business.

My predecessor Donal Curtin was Chairman of the National Lottery for three years until July 2006 when he completed his term of office. Ray Bates' term as Director on the Board also ended in June. I would like to thank them both for their enormous contribution to the National Lottery.

I am very pleased to welcome new director Barbara Patton to the National Lottery Board and also our National Lottery Director, Dermot Griffin joined the Board during the year. Together with their Board colleagues they provided strong direction for the business as it enters a new phase of growth and development.

Throughout the year our shareholders, the Minister for Finance and An Post, continued to provide much appreciated support and guidance.

During 2006 the Department of Finance granted An Post National Lottery Company a two year extension of our licence. The current licence now runs until 31 December, 2010. We are delighted to have this further opportunity to continue to develop the business.

In 2007, Ireland's National Lottery will celebrate its 20th birthday. Over the last 20 years the Lottery has become an integral and valued part of Irish society – raising funds, providing entertainment, and celebrating winners. Our key business focus in the coming year will be to develop the National Lottery and increase the attraction of our games in a socially responsible manner while continuing to deliver ever more funds for good causes.

I look forward to working with the Board to realise this vision.

(gan duaiseanna a áireamh) agus áirítear anseo €42.1 milliún nó 6.2% den díolachán a íocadh i bhfoirm choimisiúin nó bónais lenár 3,489 gníomhaire. Tosaíocht d'ár ngnó is ea éifeachtacht costais, agus bhí áthas orainn go raibh ar ár gcumas na costais a choimeád go maith faoi bhun an leibhéil a cheadaítear inár gceadúnas. B'ionann ár gcostais riaracháin, tuarastail agus tacaíocht oifige san áireamh, i 2006 agus €16.8 milliún, nó 2.5% den díolachán.

De réir mar a fhásann ár ngnó méadaíonn na héilimh ar na hacmhainní atá againn – fostaithe, gníomhairí agus córais – agus ba mhaith liom buíochas a ghabháil leo uile as a dtiomantas agus a ndiansaothar i 2006. Bliain fíor-ghnóthach a bhí ann agus tráth nuair a d'éirigh linn roinnt eochair-athruithe a chur i bhfeidhm thar réimsí uile ár ngnó.

B'é Donal Curtin a chuaigh romham agus bhí sé mar Chathaoirleach ar an gCrannchur Náisiúnta go dtí mí Iúil 2006 nuair a chríochnaigh sé a théarma oifige. Tháinig téarma oifige Ray Bates mar Stiúrthóir ar an mBord chun deiridh freisin i mí an Mheithimh. Ba dheas liom buíochas a ghabháil leo beirt as an gcomaoin chabhartha a chuir siad ar an gCrannchur Náisiúnta.

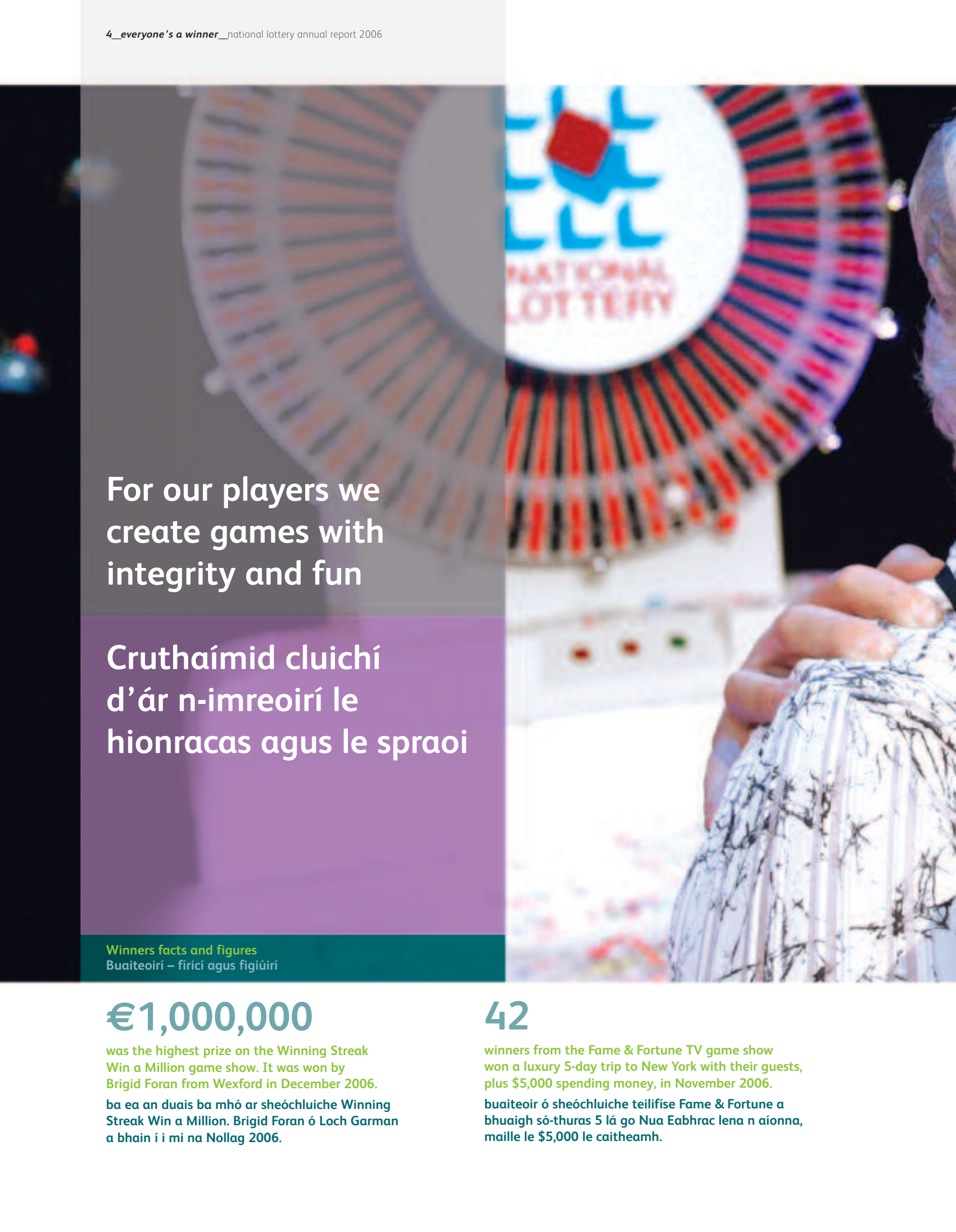
Tá an-áthas orm fáilte a fhearadh roimh stiúrthóir nua ar Bhord an Chrannchuir Náisiúnta, Barbara Patton, agus freisin roimh Stiúrthóir an Chrannchuir Náisiúnta, Dermot Griffin, a tháinig ar an mBord le linn na bliana. I dteannta a gcomhghleacaithe Boird, chuir siad treoir láidir ar fáil don ghnó agus é ag tosú ar thréimhse nua fáis agus forbartha.

Lean ár scairshealbhóirí, an tAire Airgeadais agus An Post, de bheith ag soláthar tacaíochta agus teorach, a raibh mórmeas orthu, le linn na bliana ar fad.

Le linn 2006 dheonaigh an Roinn Airgeadais síneadh dhá bhliana ceadúnais do Chomhlacht Chrannchur Náisiúnta an Phoist. Beidh feidhm leis an gceadúnas reatha go dtí 31 Nollaig, 2010. Tá áthas orainn an deis bhreise seo a bheith againn chun leanúint de bheith ag forbairt an ghnó.

I 2007, ceiliúrfaidh Crannchur Náisiúnta na hÉireann a 20ú breithlár. Le 20 bliain anuas d'fhás an Crannchur mar dhlúthchuid luachmhar den sochaí Éireannach – ag cruinniú cistí, ag soláthar caitheamh aimsire agus ag ceiliúradh buaiteoirí. Beidh sé mar eochair aidhm againn sa bhliain atá romhainn amach an Crannchur Náisiúnta a fhorbairt agus mealladh a chuid cluichí a mhéadú ar bhealach freagrach sóisialta an fhaid is a bheidh acmhainní breise á gcur ar fáil do dheachúiseanna.

Táim ag súil le bheith ag obair i bpáirtíocht leis an mBord chun an fhís seo a fhíorú.



For our players we  
create games with  
integrity and fun

Cruthaímid cluichí  
d'ár n-imreoirí le  
hionracas agus le spraoi

Winners facts and figures  
Buaiteoirí – fíricí agus figiúirí

€1,000,000

was the highest prize on the Winning Streak Win a Million game show. It was won by Brigid Foran from Wexford in December 2006.

ba ea an duais ba mhó ar sheóchluiche Winning Streak Win a Million. Brigid Foran ó Loch Garman a bhain í i mi na Nollag 2006.

42

winners from the Fame & Fortune TV game show won a luxury 5-day trip to New York with their guests, plus \$5,000 spending money, in November 2006.

buaiteoir ó sheóchluiche teilifíse Fame & Fortune a bhuaigh só-thuras 5 lá go Nua Eabhrac lena n aíonna, maille le \$5,000 le caitheamh.





## 25

winners became new Lotto millionaires in 2006, and there were 79 winners of Lotto Plus top prizes during the year.

buaiteoir ar rinneadh milliúnaithe díobh i 2006, agus bhuaigh 79 buaiteoir barrdhuaiseanna Lotto Plus le linn na bliana.

## €184 million

was the largest EuroMillions jackpot in February 2006. There were 104,010 Irish cash prizewinners in that draw.

ba ea an bhuaidhuais EuroMillions ba mhó i mí Feabhra 2006. Bhí 104,010 buaiteoir airgid Éireannach sa chrannchur sin.



A photograph of a woman with brown hair, smiling and handing a lottery ticket to a customer. She is wearing a dark jacket and a watch. The background shows shelves stocked with various products in a shop.

For our agents we are  
constantly innovating to  
bring revenue and reward

Bímid ag nuáil de shíor  
chun ioncam agus  
luaíocht a fháil d'ár  
ngníomhairí

Agents facts and figures  
Gníomhairí - fíricí agus figiúirí

**€42.1 million**

was paid to agents in commission and bonuses  
during 2006, a 10% increase on the 2005 figure.

a íocadh le gníomhairí i bhfoirm choimisiúin agus  
bónais le linn 2006, méadú 10% ar fhigiúirí 2005.

**238 million**

ticket transactions were processed by 3,489  
National Lottery agents during the year.

idirbheart ticéad a phróiseáil 3,489 gníomhaire de  
chuid an Chrannchuir Náisiúnta le linn na bliana.





## 250

lucky participants on the Winning Streak and Fame & Fortune TV game shows in 2006 purchased their lucky scratchcards in National Lottery agent shops countrywide.

rannpháirtí i seóchluichí Winning Streak agus Fame & Fortune a raibh an t-ádh leo agus a cheannaigh a scríobchátaí an áidh i siopaí ghníomhairí an Chrannchuir Náisiúnta ar fud na tíre.

## €12,500

was the bonus earned by each of the 2 National Lottery agents – Colemans of Millstreet, Co. Cork and Kellys of Foynes, Co. Limerick – when they sold the two tickets for prizes of over €9.6 million each for the €183 million EuroMillions draw in November 2006.

ba ea an bónas a bhuaigh 2 ghníomhaire de chuid an Chrannchuir Náisiúnta – Colemans ó Shráid an Mhuilinn, Co. Chorcaí agus Kellys ó Fhaing, Co. Luimnigh nuair a dhíol siad an dá thicéad do dhuaiseanna arbh fhiú os cionn €9.6 milliún an ceann iad don chrannchur EuroMillions i mí na Samhna 2006 arbh fhiú os cionn €183 milliún é.

For our staff,  
we encourage  
an environment of  
teamwork and respect

Cothaímid timpeallacht  
d'obair bhuíne agus  
measa d'ár bhfoireann

Staff facts and figures  
Foireann – firicí agus figiúirí

78

National Lottery staff worked with retail agents, players and winners in 2006.

ball foirne de chuid an Chrannchuir Náisiúnta a shaothraigh le gníomhairí miondíola, imreoirí agus buaiteoirí i 2006.

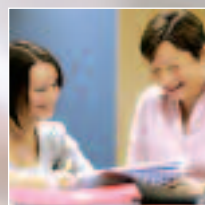
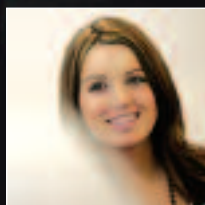
27

scratchcard games were supported by National Lottery staff in 2006.

cluiche scríobchártaí a fuair tacaíocht ó fhoireann an Chrannchuir Náisiúnta i 2006.







## 6/45

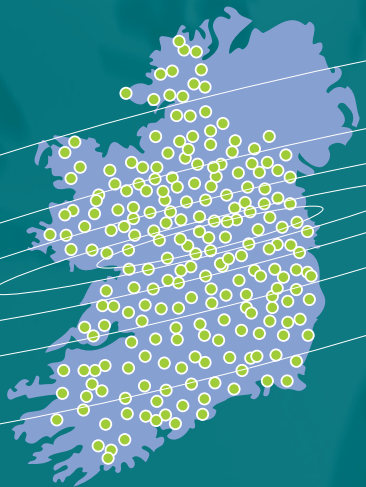
Lotto was the new game development launched in 2006, involving teamwork and flexibility across all National Lottery company disciplines.

ba ea an fhorbairt chluichíochta nua a seoladh i 2006, a éalaíonn obair bhuíne agus solúbthacht thar disciplíní uile chomhlacht an Chrannchuir Náisiúnta.

## 2006

was the year that the successful efforts of all National Lottery staff led to a 2 year extension of the licence to operate the National Lottery being granted by the Department of Finance.

ba ea an bhliain ina raibh de thoradh ar iarrachtaí rathúla fhoireann iomlán an Chrannchuir Náisiúnta gur thug an Roinn airgeadais síneadh 2 bliana don cheadúnas chun an Crannchur Náisiúnta a reáchtáil.



But that's not all

Ach ní shin iomlán  
an scéil

#### SPORTS CAPITAL PROGRAMME

DEVELOPMENT OF SPORT  
& RECREATIONAL SPORTS  
FACILITIES

IRISH SPORTS COUNCIL GRANTS

ARTS COUNCIL GRANTS

FUND FOR COMMUNAL  
FACILITIES IN VOLUNTARY  
HOUSING SCHEMES

TASK FORCE ON SPECIAL  
HOUSING AID FOR THE ELDERLY

ARCHAEOLOGY

ARCHITECTURE RESEARCH

BIODIVERSITY

BUILDINGS AT RISK

LOCAL HERITAGE

MUSEUMS

PUBLICATIONS

WILDLIFE

GRANTS TO HEALTH  
AGENCIES AND OTHER  
SIMILAR ORGANISATIONS

SERVICES FOR THE ELDERLY

SERVICES FOR THE MENTALLY  
HANDICAPPED

CHILD CARE SERVICES

PUBLIC HEALTH SERVICES

PHYSICAL HANDICAP SERVICES

HEALTH PROMOTION

BUILDING, EQUIPPING  
AND FURNISHING OF  
HEALTH FACILITIES

IRISH LANGUAGE  
FUND FOR THIRD LEVEL  
INSTITUTIONS OVERSEAS

FUND FOR ADULT EDUCATION  
ORGANISATIONS

GRANTS TO COLLEGES  
PROVIDING COURSES  
IN IRISH LANGUAGE

PUBLICATIONS IN IRISH

FUND FOR CULTURAL,  
SCIENTIFIC AND  
EDUCATIONAL  
ORGANISATIONS

YOUTH GRANTS

#### CLÁR CAIPITIL SPÓIRT

FORBAIRT SPÓIRT & ÁISEANNA  
SPÓIRT MAR CHAITHEAMH  
AIMSIRE

DEONTAIS CHOMHAIRLE SPÓIRT  
NA HÉIREANN

DEONTAIS NA COMHAIRLE  
EALAÍON

AN CISTE D'ÁISEANNA POBAIL  
I SCÉIMEANNA DEONACHA  
TITHÍOCHTA

AN TASCFHÓRSA UM  
THITHÍOCHT SPEISIALTA DO  
DHAOINE AOSTA

SEANDÁLAÍOCHT

TAIGHDE AILTIREACHTA

BITHÉAGSÚLACHT

FOIRGNIMH I MBAOL

OIDHREACT ÁITIÚIL

IARSMALANNA

FOILSEACHÁIN

FIADHÚLRA

DEONTAIS D'ÁISÍNEACHTAÍ  
SLÁINTE AGUS D'EAGRAÍOCHTAÍ  
DÁ SHÓRT

SEIRBHÍSÍ DO DHAOINE AOSTA

SEIRBHÍSÍ DO DHAOINE  
MEABHAIRÉALANGACHA

SEIRBHÍSÍ CHÚRAM LEANAÍ

SEIRBHÍSÍ POIBLÍ SLÁINTE

SEIRBHÍSÍ DO DHAOINE  
ÉAGUMASACHA

CUR CHUN CINN SLÁINTE

TÓGÁIL, TREALLMHÚ AGUS  
FEARASTÚ ÁISEANNA SLÁINTE

CISTE GAEILGE D'INSTITIÚIDÍ  
TRÍÚ LEIBHÉIL THAR LEAR

CISTE D'EAGRAÍOCHTAÍ  
AOSOIDEACHAIS

DEONTAIS DO CHOLÁISTÍ  
A SHOLÁTHRAÍONN CÚRSAÍ  
I NGAEILGE

FOILSEACHÁIN I NGAEILGE

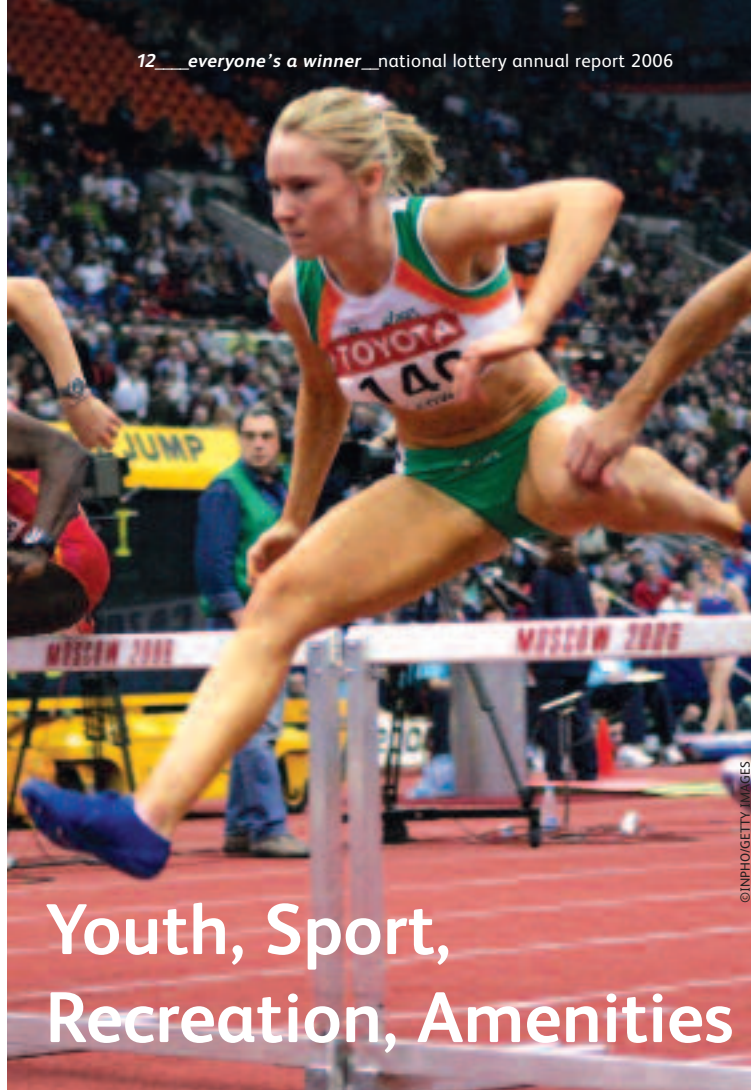
CISTE D'EAGRAÍOCHTAÍ  
CULTÚRTHA, EOLAÍOCHTA  
AGUS OIDEACHAIS

DEONTAIS DON ÓIGE



**We generate funds for  
good causes throughout  
Ireland in the areas of  
YOUTH, SPORT, RECREATION, AMENITIES,  
HEALTH & WELFARE, ARTS, CULTURE,  
NATIONAL HERITAGE AND IRISH LANGUAGE**

**Ginimid cistí do dhea-  
chúiseanna ar fud na  
hÉireann i réimsí mar  
AN ÓIGE, SPÓRT, CAITHEAMH AIMSIRE,  
ÁISEANNA, SLÁINTE & LEAS SÓISIALTA,  
NA HEALAÍONA, CULTÚR, OIDREACTH  
NÁISIÚNTA AGUS AN GHAEILGE**



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## Youth, Sport, Recreation, Amenities

### An Óige, Spórt, Caitheamh Aimsire agus Áiseanna

#### IRISH SPORTS COUNCIL

Derval O'Rourke (pictured above) won gold in the 60 metre hurdles at the World Indoor Championships in Moscow in March of 2006. She also won a silver medal in the 100 metres hurdles at the European Championships in Gothenburg in August 2006.

Derval is one of the many Irish athletes and players who receive funding from the International Carding Scheme administered by the Irish Sports Council which is part funded by the National Lottery through the Department of Arts, Sports and Tourism. In 2006, under this scheme, Ireland's elite athletes and players received €2.1 million in grant aid.

#### COMHAIRLE SPÓIRT NA HÉIREANN

Bhuaigh Derval O'Rourke (sa phictiúr thuas) an t-ór sna cliatha 60 méadar sna Craobhchluichí Domhanda Laistigh i Moscó mí an Mhárta 2006. Bhuaigh sí bonn airgid sna cliatha 100 méadar ag na Craobhchluichí Eorpacha ag Gothenburg mí Lúnasa 2006.

Tá Derval ar dhuine de mhórán lúthchleasaithe Éireannacha a fhaigheann maoiniú ón Scéim Idirnáisiúnta Cardála a fhaigheann cuid dá mhaoiniú ón gCrannchur Náisiúnta tríd an Roinn Ealaíon, Spóirt agus Turasóireachta. Faoin scéim seo, fuair scoth lúthchleasaithe agus imreoirí na hÉireann €2.1 milllún i bhfoirm deontais i 2006.



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## Health & Welfare

### Sláinte & Leas Sóisialta

#### IRISH KIDNEY ASSOCIATION

Alanna Moloney, Kingston, Galway, (pictured above) attended the Galway launch of Organ Donor Awareness Week in 2006. A few weeks later, Alanna's Dad, Declan Moloney, received a kidney transplant.

In 2006, 233 patients benefited from organ transplant. The Irish Kidney Association which administers the Organ Donor Awareness Programme received €550,000 part funded by the National Lottery Beneficiary Fund through the Department of Health and Children in 2006.

These funds were used to support events, such as Organ Donor Awareness Week. The funding also assisted in the distribution of 300,000 donor cards and information fact sheets countrywide.

#### CUMANN DUÁIN NA HÉIREANN

D'fhreastail Alanna Moloney, Kingston, Gaillimh, (sa phictiúr thuas) ar sheoladh na Gaillimhe den tSeachtain um Fheasacht Dheonadh Orgáin, i 2006. Seachtainí beaga ina dhiaidh sin, fuair Daid Alanna, Declan Moloney, trasphlandáil duáin.

I 2006, bhain 233 othar leas as trasphlandáil orgáin. Fuair Cumann Duán na hÉireann, a reáchtálann a Chlár um Fheasacht Dheonadh Orgáin, €550,000, a dtagann cuid de ó Chiste Thairbhíthe an Chránnchuir Náisiúnta, tríd an Roinn Sláinte agus Leanaí.

Úsáideadh na cistí seo chun tacú le himeachtaí, dála na Seachtaine um Fheasacht Dheonadh Orgáin. Baineadh leas as an maoiniú freisin chun 300,000 cártaí deontóra agus bileoga fíricí eolais a scaipeadh ar fud na tíre.





## Arts, Culture, National Heritage

### Na hEalaíona, Cultúr, Oidhreacht Náisiúnta

#### FABULOUS BEAST DANCE COMPANY

Song, dance, spoken word, imagery and music are all used to explore the human condition in the artistic work of Fabulous Beast Dance Company which began in Cork in 1997. The company is dedicated to the creation of excellent and innovative dance theatre and has produced many award-winning productions. The Company has toured extensively in Europe and America with their acclaimed production 'Giselle'. Their new work, 'The Bull', will be presented at the Barbican in London in 2007. Other recent productions include 'The Flowerbed, Fragile' and 'The Good People'.

In 2006, the Company received €270,000 in funding through the Arts Council which is part funded by the National Lottery Beneficiary Fund through the Department of Arts, Sports and Tourism.

#### COMPLACHT DAMHSA AN BHEITHÍGH FHABHLAIGH

Úsáidtear amhráin, rince, an focal labhartha, íomháiníocht agus ceol chun staid an duine a iniúchadh in obair cheannródaíochta Chomplacht Damhsa an Bheithígh Fhabhlaigh a thosaigh i gCorcaigh i 1997. Tá an complacht tiomanta chun téatar damhsa nuálaíoch den scoth a chruthú agus bhí mórán léirithe, a bhain duaiseanna, acu go nuige seo. Thaisteal an complacht go forleathan san Eoraip agus i Meiriceá lena léiriú mórchlú 'Giselle'. Cuirfear a shaothar nua 'The Bull' i láthair sa Barbican i Londain i 2007. Ar na léirithe a bhí aige le déanaí bhí 'The Flowerbed', 'Fragile' agus 'The Good People'.

I 2006 fuair an complacht €270,000 mar mhaoiniú ón gComhairle Ealaíon, a fhaigheann sciar dá cuid airgid ó Chiste Tairbhíthe an Chrannchuir Náisiúnta tríd an Roinn Ealaíon, Spóirt agus Turasóireachta.



## Irish Language

### An Ghaeilge

#### COMHALTAS CEOLTÓIRÍ ÉIREANN

The 400 branches of Comhaltas Ceoltóirí Éireann in Ireland and worldwide, come together to organise traditional music sessions, classes, concerts, festivals, exhibitions, fleadhanna cheoil and assists in keeping alive the culture of traditional music. Through classes for young musicians Comhaltas Ceoltóirí Éireann helps to develop creative skills and artistic talent by promoting our native musical heritage and the Irish language. In 2006 Comhaltas Ceoltóirí Éireann received €1,470,000 through Ciste na Gaeilge which is funded by the National Lottery Beneficiary fund through the Department of Community, Rural and Gaeltacht Affairs.

#### COMHALTAS CEOLTÓIRÍ ÉIREANN

Tagann na 400 craobh de Chomhaltas Ceoltóirí Éireann in Éirinn agus timpeall an domhain le chéile chun seisiúin cheoil traidisiúnta, ranganna, ceolchoirmeacha, féilte, taispeántais agus fleáanna ceoil chun tacú le caomhnú an cheoil traidisiúnta. Lena ranganna do cheoltóirí óga, cuidíonn Comhaltas Ceoltóirí Éireann le scileanna cruthaitheacha agus tallann ealaíonta a fhorbairt chun ár n-oidhreacht dhúchasach ceoil agus an Ghaeilge a chur chun cinn. I 2006 fuair Comhaltas Ceoltóirí Éireann €1,470,000 trí Chiste na Gaeilge a mhaoiníonn an Crannchur Náisiúnta tríd an Roinn Gnóthaí Pobail, Tuaithe agus Gaeltachta.

# Review of Operations

## Athbhreithniú Oibríochta

2006 was my first year as National Lottery Director and it was both a busy and rewarding twelve months. There were many highlights, not least of which was the completion of an internal analysis which I believe will serve the National Lottery well in the years to come. We undertook a review of the business and re-examined the National Lottery's vision and mission in the context of a changing Ireland.

B'í 2006 mo chéad bhliain mar Stiúrthóir ar an gCrannchur Náisiúnta agus ba thréimhse dhá mhí déag gnóthach agus tairbheach í. B'iomaí rud suntasach a tharla, ina measc críochnú anailíse inmheánaí a rachaidh chun tairbhe don Chrannchur Náisiúnta sna blianta atá romhainn amach, dar liom. Scaoileamar faoi athbhreithniú ar an ngnó agus scrúdaíomar as an nua fíis agus misean an Chrannchuir Náisiúnta i gcomhthéacs Éire an lae inniu atá ag síor-athrú.





Our restated vision for the business is to provide exciting and engaging lottery games that bring fun and entertainment to everyone. Our mission is to operate a world class lottery for the people of Ireland, raising funds for good causes, on behalf of the Government. In carrying-out this mission and realising the vision we are committed to applying the values of integrity, innovation and team work.

The impact of this review process on the business manifested itself in the introduction of changes, to grow and develop the National Lottery for our players, beneficiaries, agents, shareholders and employees. There were five key areas of change initiatives during 2006. These included the Lotto game, where the structure was significantly changed; the scratchcard sector of our business where we introduced greater choice for players and the EuroMillions game where we continued to drive growth. Other areas of focus during the year were the development of new games for internet and mobile phones, which will deliver new business growth in the future, and the organisation itself where we invested in putting a robust structure in place to support the business.

The result at the end of the year was the achievement of a 10.2% growth in the business, representing the highest revenue growth in 15 years, and the generation of a record amount of money for good causes.

### Players

A key area of focus during 2006 was that of prize levels and prize structures across all our games. Player feedback indicated that players felt that National Lottery prizes were not as compelling or as significant as they had once been relative to the cost of living.

Towards the end of the year we introduced major changes to the Lotto prize structure, including a new guaranteed minimum jackpot of €2 million. We also increased prize payout levels across our scratchcard games during 2006.

Over the past twelve months our players won a total of €362.1 million in prizes, up from €324.8 million in 2005. This figure excludes the top two EuroMillions winners who were paid from the consolidated European Prize Pool.

Every day during the year there was an average of 80,000 winners of National Lottery prizes across all prize categories.

Tá mar fhís athshonraithe againn don ghnó cluichí crannchuir spreagúla, agus mealltacha a sholáthar a thabharfaidh idir spraoi is caitheamh aimsire do gach duine. Tá mar mhisean againn crannchur de chaighdeán domhanda a reáchtáil do mhuintir na hÉireann, cistí a chruinniú do dhea-chúiseanna, thar ceann an Rialtais. Agus sinn ag baint amach an mhisin seo agus ag fíorú na fríse, táimid tiomanta do na luachanna a ghabhann le hionracas, nuálaíocht agus obair bhuíne.

Léiríodh éifeacht phróiseas seo an athbhreithnithe ar an ngnó trí athruithe a thabhairt isteach, chun an Crannchur Náisiúnta a fhorbairt d'ár n-imreoirí, d'ár dtairbhíthe, d'ár ngníomhairí, d'ár scairshealbhoirí is d'ár bhfostaithe. Bhí cúig eochair réimsí d'athruithe ann le linn 2006. Orthusan bhí an cluiche Lotto, mar a bhfuil athruithe suntasacha ar an struchtúr; earnáil na scríobchátaí d'ár ngnó mar a chuireamar rogha níos leithne ar fáil d'ár n-imreoirí agus cluiche EuroMillions mar a leanamar de bheith ag brú an fháis. I measc na réimsí eile ar díriodh orthu le linn na bliana bhí forbairt chluichí nua don idirlíon is do theileafóin phóca, a spreagfaidh forbairt úr ghnó amach anseo, agus an eagraíocht fhéin mar a rinneamar infheistiú chun struchtúr stóinsithe a chruthú chun tacú leis an ngnó.

Bhí mar thoradh air seo ag deireadh na bliana gur baineadh amach ráta fáis de 10.2% sa ghnó, arbh ionann agus an méadú ba mhó a tháinig ar ioncam le 15 bliana anuas, agus barrfhiúir nua airgid do dhea-chúiseanna.

### Na hImreoirí

Eochair-réimse ar a dhíriomar le linn 2006 ba ea leibhéal na nduaiseanna agus an struchtúr duaise thar ár gcluichí ar fad. Léirigh aiseolas ó imreoirí nár shíl na himreoirí go raibh mealladh na nduaiseanna sa Chrannchuir Náisiúnta chomh láidir is a bhí siad tráth i gcomhréir leis an gcostas maireachtála.

I dtreo dheireadh na bliana thugamar athruithe móra isteach i struchtúr an Lotto le buaicdhuais ráthaithe san áireamh le híosmhéid nach lú ná €2 milliún. Thairis sin, mhéadaíomar leibhéil na nduaiseanna a íoctar thar ár gcluichí scríobchátaí uile le linn 2006.

Le dhá mhí déag anuas, bhain ár n-imreoirí iomlán de €362.1 milliún mar dhuaisianna – méadú ó €324.8 milliún i 2005. Ní áirítear san fhigiúr seo an dá bharndhuais EuroMillions a íocadh as an Linn Duaise Eorpach chomhdhlúite.

Gach lá den bhliain bhí mar mheán 80,000 duine a bhuaigh duaiseanna de chuid an Chrannchuir Náisiúnta sna catagóirí éagsúla duaise.

Maureen Matthews from Dunleer, Co. Louth became the first Lotto Millionaire in 2006 when she collected a cheque for €1,350,000 in January.

Bhí Maureen Matthews ó Dhún Léire, Co. Lú, ar an gcéad Mhilliúnaí Lotto i 2006 nuair a bhailigh sí seic ar €1,350,000 i mí Eanáir.



## Review of Operations

### Athbhreithniú Oibríochta

#### Draw Based Games

Together, our draw based games – Lotto and EuroMillions – account for 75 % of our business, so it is good to be able to report growth of 16.3 % to a record total of €507.2 million for this section of the business in 2006. EuroMillions in particular achieved very significant growth. We also made major changes to our Lotto games, to ensure that they will continue to grow in the future.

#### Lotto Games

The group of Lotto games – Lotto, Lotto Plus and Lotto 5-4-3-2-1 remain the biggest single category of National Lottery games, accounting for 53.3 % of total turnover. In 2006 this represented €361.9 million compared to €377.2 million the previous year. However, due to Lotto game changes introduced in November the performance improved considerably in the last quarter. This performance was particularly satisfying in the context of the extended number of choices now available to players through our developing portfolio of National Lottery games.

The core Lotto game achieved sales of €255.1 million in 2006, compared to €262.6 million in the previous year. A comprehensive review of this game during the year highlighted the fact that it was timely to introduce some major changes - the last major change to the Lotto game had been in 1994.

In early November we introduced a series of significant changes in the Lotto game to ensure that there will be bigger jackpots more regularly in the future. Three extra numbers were added giving a 6/45 matrix, whereby players can now select from 1 to 45 numbers. In addition the minimum jackpot was increased to €2 million and prizes across all Lotto categories were increased. The price per line also increased from €1 to €1.50 giving a new minimum play of €3. These changes were introduced to make the game more exciting for current players, and to increase Lotto's appeal to new players. Indications for the last two months of the year point to both these objectives being successfully achieved.

The benefits of the changes to the Lotto game became apparent very quickly when we had the largest jackpot of the year, €7.4 million, won by a lucky man from Wicklow in late December. There were a further 24 Lotto millionaires created in 2006 and 264 winners of the Match 5 plus bonus category. Lotto players won a total €129.6 million in prizes during the year, including a special Christmas jackpot bonus of €1 million and double Match 5 prizes for St Patrick's weekend.

#### Cluichí crannchuir

Is ionann ár gcluichí crannchuir – Lotto agus EuroMillions – agus 75 % d'ár ngnó. Mar sin is dea-scéala é bheith ábalta ar ardú de 16.3 % go dtí barrleibhéil nua de €507.2 milliún i 2006 a thuairisciú. Bhain EuroMillions, ach go háirithe, fás an-shuntasach. Rinneamar athruithe ar ár gcluichí Lotto freisin, chun deimhin a dhéanamh de go leanfadh an fás amach anseo.

#### Cluichí Lotto

Tá an grúpa de chluichí Lotto – Lotto, Lotto Plus agus Lotto 5-4-3-2-1 – ar an gcatagóir aonair is mó fós i measc chluichí an Chrannchuir Náisiúnta. Is ionann iad agus 53.3 % d'ar láimhdeachas iomlán. I 2006 b'ionann é sin agus €361.9 milliún i gcomparáid le €377.2 milliún sa bhliain roimhe sin. In ainneoin sin, tháinig feabhas suntasach ar an bhfeidhmíocht sa ráithe dheiridh de bharr athruithe ar na cluichí Lotto a tugadh isteach i mí na Samhna. Bhí an fheidhmíocht seo an-sásúil i gcomhthéacs an líon méadaithe roghanna a bhí ar fáil d'imreoirí tríd ár bpunann de chluichí Lotto atá ag síor-méadú.

Bhain an lár-chluiche Lotto amach díolachán de €255.1 milliún i 2006 i gcomparáid le €262.6 milliún sa bhliain roimhe sin. Thug athbhreithniú uileghabhálach a rinneadh ar an gcluiche seo le linn na bliana chun solais go raibh sé tráthúil roinnt mórathruithe a thabhairt isteach. Ba i 1994 a rinneadh an mórathrú deiridh ar an gcluiche Lotto.

Go luath i mí na Samhna thugamar isteach sraith d'athruithe suntasacha le deimhin a dhéanamh de go mbeadh buaicdhuaiseanna níos mó ann agus iad níos minice sa todhchaí. Cuireadh trí uimhir bhreise leis an maitrís, rud a thugann maitrís 6/45, a chuireann ar chumas imreoirí uimhreacha a roghnú ó 1 go 45. De bheis air sin, méadaíodh an bhuaicdhuais a b'ísle go dtí €2 milliún agus méadaíodh na duaiseanna thar na catagóirí Lotto uile. Méadaíodh an praghas in aghaidh na líne ó €1 go €1.50, rud a thugann íosléibhéil imeartha nua de €3. Tugadh isteach na hathruithe seo chun an cluiche a dhéanamh níos spreagúla do na himreoirí reatha agus chun Lotto a dhéanamh níos tarraingtí d'imreoirí nua. Tugann tásca sa dá mhí dheiridh den bhliain le fios go bhfuil an dá aidhm sin á mbaint amach.

Bhí na buntáistí a bhain leis na hathruithe ar chluiche Lotto rí-shoiléir nuair a bhain fear as Cill Mhantáin, a raibh an t-ádh leis, an bhuaicdhuais ba mhó sa bhliain amach, €7.4 milliún, déanach i mí na Nollag. Rinneadh milliúnaithe Lotto de 24 duine eile i 2006 agus bhí 264 buaiteoirí ann sa chatagóir Match 5 móide bónas. Bhuaigh imreoirí Lotto iomlán de €129.6 milliún mar dhuaisianna

*It was glamour time in the bath when Ruth Griffin climbed into a bath filled with money, not bubbles, to celebrate a Lotto rollover jackpot of €4.5 million on Saturday 22 July, 2006.*

*Tráth draíochta san fholcadán a bhí ann nuair a dhreap Ruth Griffin isteach i bhfolcadán a bhí lán, ní le boilgeoga, ach le hairgead, chun buaicdhuais thar-rolta de €4.5 milliún ar an Satharn 22 Iúil, 2006, a cheiliúradh.*





In 2006, sales of Lotto Plus were €95.7 million, compared to €103.6 million in the previous year. The drop in sales compared to the previous year was as a result of the decline in Lotto for the first 10 months of the year. However, the number of players participating in the Lotto Plus games increased from 80 % to 82 % of all Lotto players during the year, further consolidating this game as an integral part of Lotto.

Changes to Lotto Plus games were introduced towards the end of the year when the top prizes of both games were increased – the Lotto Plus 1 Top Prize increased to €350,000, from €300,000, while the Lotto Plus 2 Top Prize increased to €250,000, from €200,000. Prices for Lotto Plus games were held at 50 cent per play. Throughout the year there were 79 winners of Lotto Plus top tier prizes and a further 366 winners of the Match 5 plus bonus category.

Sales of Lotto 5-4-3-2-1 increased by 1.3 % to €11.2 million as this loyal group of players continued to play an option that offers them better chances of winning more, but smaller, prizes. Prizes of €7.3 million were returned to players representing an overall prize payout level for the game of 65.8 %.

#### EuroMillions

The EuroMillions game was a key driver of our success during 2006 as its popularity continued to grow with Irish people. This game more than doubled its sales to €145.3 million, up from €59.1 million in the previous year. EuroMillions plays an important role in the development of our business as it appeals to a broader player base. Its popular Friday night draw not alone appeals to existing players, but has also attracted a whole new group of National Lottery players.

While the EuroMillions game is played in nine European countries, it is important to note that it is managed and operated by the National Lottery in Ireland and that, in common with other games, 32 % of all money spent on the game here goes directly to Irish good causes. On this basis, in 2006 alone the amount raised for Irish good causes from EuroMillions was €46.5 million. That's almost €1 million per week for allocation to good causes throughout Ireland. During the year we had two exceptionally high EuroMillions rollovers. In February the jackpot reached a record €183.6 million and then in November, we had a €183.1 million jackpot draw. Ireland's EuroMillions luck continued as we had two Irish winners among 20 winners across Europe who shared that jackpot. Two lucky couples, one from Foynes, Co Limerick and one from Cork, each won €9.6 million for their Match 5 plus one Lucky Star wins, when the jackpot cascaded down to the next prize level on 17 November.

le linn na bliana, ina measc buaicdhuais speisialta don Nollaig de €1 milliún agus duaiseanna dúbailte do Match 5 do dheireadh seachtaine na Féile Pádraig.

I 2006, bhí díolachán de €95.7 milliún ar Lotto Plus, i gcomparáid le €103.6 milliún an bhliain roimhe sin. Bhí an titim ar an díolachán i gcomparáid leis an mbliain roimhe sin mar thoradh ar mheath i Lotto don chéad 10 mí den bhliain. In ainneoin sin, mhéadaigh líon na n-imreoirí a ghlac páirt i gcluichí Lotto Plus mar chéatadán d'imreoirí uile Lotto ó 80 % go 82 % le linn na bliana – a dheimhnigh an cluiche mar dhúlthchuid de Lotto.

Tugadh isteach athruithe ar chluichí Lotto Plus i dtreo dheireadh na bliana nuair a méadaíodh na barrdhuaisanna don dá chluiche. Méadaíodh an bharrdhuis do Lotto Plus 1 go €350,000 ó €300,000, agus barrdhuis Lotto Plus 2 go €250,000 ó €200,000. Coinníodh praghsanna do chluichí Lotto Plus ar 50c in aghaidh an imeartha. Le linn na bliana bhí 79 buaiteoir ann de dhuaisanna ardleibhéil Lotto Plus agus 366 buaiteoir eile sa chatagóir Match 5 móide bónas.

Tháinig méadú 1.3 % go €11.2 milliún ar dhíolachán Lotto 5-4-3-2-1 nuair a lean an buíon dílis seo imreoirí de bheith ag roghnú an chluiche seo a thugann seansanna níos fearr dóibh ar dhuaisanna níos lú a bhuachan. Fuair imreoirí duaiseanna ar luach €7.3 milliún arbh ionann é agus leibhéal íocaíocht duaise de 65.8 % don chluiche.

#### EuroMillions

Eochair-ghné d'ár rath i 2006 ba ea EuroMillions toisc gur fhás an dúil sa chluiche i measc mhuintir na hÉireann. Bhí breis is dúbailt ar an díolachán, é méadaithe go €145.3 milliún le hais €59.1 milliún sa bhliain roimhe sin. Tá ról tábhachtach ag EuroMillions i bhforbairt ár ngnó toisc go bhfuil mealladh aige do raon níos leithne imreoirí. Ní hamháin go meallann crannchur móréilimh oíche Dé hAoine na himreoirí reatha ach tá éirithe leis grúpa iomlán nua imreoirí a mhealladh chuig an Crannchur Náisiúnta.

Siúd is go bhfuil EuroMillions á imirt i naoi dtír Eorpacha, tá sé tábhachtach a choimeád in aigne go bhfuil sé á reáchtáil agus á bhainistiú in Éirinn ag an gCrannchur Náisiúnta agus, dála na gcluichí eile, caitear 32 % den airgead uile a chaitear ar an gcluiche anseo ar dhea-chúiseanna Éireannacha. Ar an mbonn seo, b'é €46.5 milliún an tsuim a cruinníodh ó EuroMillions do dhea-chúiseanna Éireannacha is ionann seo agus beagnach €1 milliún sa tseachtain la dáileadh ar dhea-chúiseanna ar fud na hÉireann. Le linn na bliana bhí dhá thar-rolladh EuroMillions an-arda againn. I mí Feabhra shroich an bhuaidhuais barrfhigiúr de €183.6 milliún agus ansin i mí na Samhna bhí crannchur

Andrea Roche celebrates the bubbly €183 million EuroMillions Jackpot on 17 November, 2006 with a champagne fountain poured by top Irish sommelier Ian Brosnan.

Ceiliúránn Andrea Roche Buaicdhuais bhoilgeogach EuroMillions de €183 milliún ar 17 Samhain, 2006 le scairdeán champagne a dhoirt scoth sommelier Éireannach, Ian Brosnan.



## Review of Operations

### Athbhreithniú Oibríochta

In 2006, €72.7 million in prizes was won by EuroMillions winners in Ireland. In addition €17.5 million in jackpot prizes was paid from a central European prize fund, giving an overall prize total of €90.2 million for the year. The game now accounts for 21.4% of our total sales and each week, on average, prizes to the value of €1.4 million were shared among 50,000 Irish EuroMillions winners. In addition to the two €9.6 million winners we had a further eight Match 5 plus 1 players winning an average of €450,000 each.

#### TellyBingo

TellyBingo sales were a significant €14.5 million in 2006 as a base of around 70,000 players continued to enjoy and support this entertaining niche game. The reduction in sales, from €18.7 million in the previous year, was mainly attributable to the lunchtime TV scheduling of the show which gives players less time to buy their tickets on the mornings of the game.

However, TellyBingo remains a very popular Tuesday and Friday game with a loyal group of players who won a total of over 1.3 million individual prizes during the year. The biggest winner of all was a woman from Roscommon who won €65,000 in a snowball prize in October. She was one of 19 snowball winners during the year. In total €10.2 million was paid out in Tellybingo prizes in 2006.

#### Scratchcard Games

Scratchcard games generated sales of €157.4 million compared to €161.5 million in 2005. Average sales per week were just over €3 million, with 62% of sales or €97.6 million returned to players in prizes. The popularity of scratchcard games ensured that this sector accounts for 23% of our business, second only to Lotto in value.

During the year we reviewed our scratchcard game policy and took a number of steps to increase the popularity of the individual games with players.

The number of scratchcard games available to players in 2006 expanded quite significantly with a total of 20 innovative new games launched. These were in addition to seven ever popular ongoing games such as All Cash and All Cash Gold continuing throughout the year.

buaicdhuaise againn ar €183.1 milliún. Lean rath na hÉireann nuair a bhí beirt bhuaiteoir Éireannach i measc 20 buaiteoir ar fud na hEorpa ar roinneadh an buaicdhuaise orthu. Bhuaigh dhá lánúin rathúla, ceann ó Fhaing, Co. Luimnigh, agus ceann ó Chorcaigh €9.6 milliún an ceann dá mbua Match 5 plus Lucky Star, nuair a thit an buaicdhuaise síos go dtí an chéad leibhéal eile duaise ar 17 Samhain.

I 2006, bhuaigh buaiteoirí EuroMillions in Éirinn luach €72.7 milliún de dhuaiseanna. De bhreis air sin, íocadh luach €17.5 milliún de dhuaiseanna buaicdhuaise ó dhuaishiste lárnaigh Eorpach. B'ionann é seo agus luach €90.2 milliún de dhuaiseanna ina iomláine don bhliain. Tugann an cluiche anois 21.4% dár ndíolachán iomlán agus gach seachtain, mar mheán, roinneadh duaiseanna dar luach €1.4 milliún thar 50,000 buaiteoir Éireannach i EuroMillions. De bhreis ar an mbeirt bhuaiteoir de €9.6 milliún bhí ocht n imreoir Match 5 plus 1 eile againn a bhuaigh mar mheán €450,000 an duine.

#### TellyBingo

Bhain díolachán TellyBingo suim shuntasach de €14.5 milliún amach i 2006 nuair a lean bunghrúpa de thart faoi 70,000 imreoir de bheith ag tacú leis agus ag baint taitneamh as an gcluiche nideoige seo. Sceidealú an tseó ag am lóin ba chúis leis an gcuid is mó den titim ó €18.7 milliún an bhliain roimhe sin toisc go raibh níos lú ama ag imreoirí a gcuid ticéad a cheannach maidin an chluiche.

In ainneoin sin, cluiche móréilimh é TellyBingo i gcónaí le grúpa dílis imreoirí a bhuaigh níos mó ná 1.3 milliún duais le linn na bliana. Ba bhean Ros Comáin an buaiteoir ba mhó: bhain sí duais snowball de €65,000 mí Dheireadh Fómhair. Ba dhuine í de 19 buaiteoir snowball le linn na bliana. Díoladh iomlán de €10.2 milliún mar dhuaiseanna TellyBingo i 2006.

#### Cluichí Scríobcháirtaí

Ghin cluichí scríobcháirtaí díolachán de €157.4 milliún i gcomparáid le €161.5 milliún i 2005. Bhí meán-díolachán de €3 milliún ann in aghaidh na seachtaine agus tugadh 62% de dhíolachán €97.6 milliún thar n-ais mar dhuaiseanna do na himreoirí. Chinntigh an tóir a bhí ar chluichí scríobcháirtaí gurbh ionann an earnáil seo agus 23% d'ár ngnó. Lotto amháin a bhí níos luachmhaire ná í.

Le linn na bliana d'athbhreithníomar ár bpolasaí i leith cluichí scríobcháirtaí agus ghlacamar céimeanna áirithe chun cur leis an éileamh ar chluichí áirithe i measc na n imreoirí.

*It was a scary moment when Count and Countess Cashula (actor Johnny Murphy and model Karen Fitzpatrick) launched 'Count Cashula', a limited edition scratchcard game from the National Lottery to celebrate Halloween.*

*Móimint cheart aerach a bhí ann nuair a sheol an Cúnta agus an Chuntaois Cashula (an t-aisteoir Johnny Murphy agus an mainicín Karen Fitzpatrick) 'Count Cashula', eagrán teoranta de chluiche scríobcháirtaí ón gCrannchur Náisiúnta chun Oíche Shamhna a cheiliúradh.*





One of the new departures in 2006 was the introduction of a new top level €10 game - Christmas Countdown, a large format scratchcard game designed as a Christmas gift which proved very popular with players.

Other innovations included games like Pay Day Bonus, which we ran in conjunction with Today FM, and offered winners a €1,000 tax free per month for a year. Our sponsorship of Coronation Street on TV3 was a new marketing initiative in 2006 and provided us with an ideal vehicle to promote our scratchcard games.

The key drivers in the success of scratchcard games during 2006 continued to be our long running, popular TV game shows Winning Streak and Fame & Fortune. Between them these shows paid out over €10 million in prizes and provided an opportunity for 250 players to participate in the TV game shows. The largest winner on Winning Streak during the year was Maureen O'Brien from Dripsey Co Cork who won €272,300, while on Fame & Fortune the key prize attraction was a luxurious shopping trip for 42 winners and their guests to New York, along with \$5,000 spending money per winner.

A successful year for scratchcard games culminated with a Winning Streak Christmas Special, 'Win a Million' where Brigid Foran from Rosslare Harbour, Co Wexford won the top prize of €1 million on the show broadcast on RTE 1 on New Year's Eve, a show watched by over 500,000 people.

### Operations

Operating costs were maintained at 14.6% of sales compared to 14.3% in 2005. More than two thirds of our costs are variable and so increase directly as our sales increase. These costs of €79.8 million in 2006 include agents' commissions and bonuses of €42.1 million or 6.2% of our total sales. We now have a network of 3,489 agents throughout Ireland, up from 3,413 in 2005. Our administration costs for the year were €16.8 million.

The changes to the Lotto game were introduced within our existing cost structure and we also invested in the development of new media games and marketing our game innovations during the year.

Méadaíodh go suntasach líon na gcluichí scríobchátaí a bhí ar fáil ag imreoirí agus seoladh iomlán de 20 cluiche nuálaíocha úra. Bhíodar seo mar bhreis ar sheacht gcluiche seanbhunaithe, a bhfuil mórleamh orthu i gcónaí, dála All Cash agus All Cash Gold ar leanadh díobh le linn na bliana.

Ar ceann de na himeachtaí nua a tugadh isteach le linn 2006 bhí cluiche le hardleibhéal de €10 – Christmas Countdown, cluiche scríobcháta le formáid mhór, a ceapadh mar fhéirín Nollag agus a raibh an-tóir air i measc na n-imreoirí.

Ar na himeachtaí nua eile bhí cluichí mar Pay Day Bonus a reáchtálar i gcomhar le Today FM agus a thug €1,000 saor-ó-cháin in aghaidh na míosa do bhuaiteoirí ar feadh bliana. Tosaíocht úr margaíochta ba ea an phátrúnacht a rinneamar ar Coronation Street ar TV3 agus thug sé seo deis ar leith dúinn ar gcluichí scríobchátaí a chur chun cinn.

Eochair-ghné den rath a bhí ar ár gcluichí scríobchátaí le linn 2006 ba ea ár seóchluichí teilifíse fadsaolach, mórleimh Winning Streak agus Fame & Fortune. Eatarthu dhíol na seónna seo amach breis is €10 milliún de dhuaiseanna agus sholáthair siad deis do 250 imreoir páirt a ghlacadh sna seóchluichí teilifíse. B'í Margaret O'Brien ón Druipseach, Co. Chorcaí, an buaiteoir ba mhó le linn na bliana nuair a bhuaigh sí €272,300. Ar Fame & Fortune b'í an duais ba mhó mealladh ná an só-turas siopadóireachta chuig Nua Eabhrac do 42 buaiteoir is a n-aíonna chomh maith le \$5,000 d'airgead siopadóireachta do gach buaiteoir.

Tháinig bliain rathúil do na cluichí scríobchátaí chun deiridh le cluiche speisialta Winning Streak faoi Nollaig, Win a Million, mar a bhuaigh Brigid Foran ó Chalfort Ros Láir, Co. Loch Garman, barrdhuais de €1 milliún ar sheóchraoladh RTÉ 1 Oíche Chinn Bhliana, seó a raibh os cionn 500,000 duine ag féachaint air.

### Oibríochtaí

Coinníodh na costais oibríochta ar leibhéal 14.6% den díolachán i gcomparáid le leibhéal 14.3% i 2005. Costais athraitheacha is ea dhá dtrian dár gcuid costas agus dá réir athraíonn said de réir mar a mhéadaítear an díolachán. Áirítear sna costais seo de €79.8 milliún i 2006 coimisiúin agus bónaís de €42.1 milliún a íocadh le gníomhairí nó 6.2% dár ndíolachán iomlán. Tá anois againn líonra de 3,489 gníomhaire ar fud na hÉireann, méadú ar an 3,413 gníomhaire a bhí againn i 2005. €16.8 milliún a bhí ar ár gcostais riaracháin don bhliain.

Tugadh isteach na hathruithe ar an gcluiche Lotto taobh istigh dár struchtúr costais agus ina theannta sin d'infheistíomar i bhforbairt chluichí nua meán agus i margú ár nuálacha cluichíochta le linn na bliana.

Maria Coughlan (on behalf of her Aunt Maureen O'Brien), Dripsey, Cork wins €272,300 in March, the largest amount won on the Winning Streak TV Game Show in 2006.

Maria Coughlan (thar ceann a haintín, Maureen O'Brien), An Druipseach, Corcaigh, agus €272,300 á bhuachan aici i mí an Mhárta – an tsuim ba mhó a buadh ar Sheó-Chluiche Teilifíse Winning Streak i 2006.



## Review of Operations

### Athbhreithniú Oibríochta

We reviewed and made changes to the structure of the organisation to put in place a flexible and dynamic organisational structure that reflects our changing needs, particularly in light of the development of future streams of revenue for the business.

The changeover to the new Lotto structure in November was operationally seamless, again demonstrating the flexibility and efficiency of our agent network and systems. The installation of a more efficient digital telecommunications network linking all our agents was close to completion at the year end.

Progress on the introduction of new internet and mobile phone based games was well advanced during the year. Our attention has been focussed on getting the appropriate systems and security in place as we are committed to introducing new media games in a socially responsible way. These games are an important part of our medium and long term business strategy, and their development places us to the forefront of lotteries internationally.

I would like to thank everyone who helped deliver the strong results in the business during the year, in particular, the National Lottery chairman, employees, our agents, the Board and our shareholders all of whom were very supportive throughout a busy and challenging year.

#### Good Causes

Our operating success during 2006 resulted in a record level of funding for distribution to good causes throughout Ireland. A total of €217.5 million was raised for good causes, up €14.3 million from €203.2 million in 2005. This brings the total amount raised in the 19 years since the establishment of the National Lottery to over €2.6 billion.

This money has been allocated across four categories – Youth, Sport, Recreation & Amenities; Health & Welfare; Arts, Culture & National Heritage and Irish Language

The range and variety of projects supported within these funding categories is extremely impressive.

D'athbhreithníomar agus d'athraíomar struchtúr na heagraíochta chun struchtúr solúbtha, dinimic a chruthú a d'fhreastalódh ar riachtanais a bhíonn ag síor-athrú, go háirithe i gcomhthéacs sruthanna ioncaim don ghnó a fhorbairt sa todhchaí.

Athrú gan uaim ó thaobh oibríochta de ba ea an t-aistriú go dtí an struchtúr nua Lotto i mí na Samhna, rud a léiríonn cé chomh solúbtha agus éifeachtach is atá ár líonra de ghníomhairí is ár gcórais. Bhí suiteáil chóras nua digiteach teileachumarsáide níos éifeachtaí a cheanglóidh ár ngníomhairí uile le bheith réidh faoi dheireadh na bliana.

Rinneadh dul chun cinn maith le linn na bliana ar thabhairt isteach chluichí nua a bheidh bunaithe ar an idirlíon ar theileafóin phóca. Bhí ár n-aird dírithe ar chórais oiriúnacha agus ar shlándáil toisc go bhfuilimid tiomanta ar chluichí na nua-mheán a thabhairt isteach ar shlí a bheidh freagrach go sóisialta. Tá na cluichí seo mar chuid thábhachtach d'ár straitéis mheán-téarmach agus fhadtéarmach gnó, agus cuireann a bhforbairt chun tosaigh sinn i measc chrannchuir go hidirnáisiúnta.

Ba mhaith liom buíochas a ghabháil leosan uile a chabhraigh leis na torthaí láidre sa ghnó a bhaint amach le linn na bliana, go háirithe cathaoirleach an Chrannchuir Náisiúnta, na fostaithe, ár ngníomhairí, an Bord agus ár scairshealbhóirí. Bhíodar go léir an-chuidiúil le linn bliana a bhí gnóthach agus dúshlánach.

#### Dea-Chúiseanna

Bhí de thoradh ar ár rath oibríochta le linn 2006 go raibh barrleibhéal cistíochta againn le roinnt ar dhea-chúiseanna ar fud na hÉireann. Gnóthaíodh €217.5 milliún do dhea chúiseanna: méadú de €14.3 milliún é seo ó €203.2 milliún i 2005. Fágann sé seo mór-iomlán de €2.6 billiún ó bunaíodh an Crannchur Náisiúnta 19 bliana ó shin.

Leithdháileadh and t-airgead seo thar ceithre chatagóir – An Óige, Spórt, Caitheamh Aimsire agus Áiseanna; Sláinte agus Leas Sóisialta; Na hEalaíona, Cultúr & an Oidhreacht Náisiúnta agus an Ghaeilge.

Tá raon agus éagsúlacht na dtionscadal ar tugadh tacaíocht dóibh taobh istigh de na catagóirí cistíochta seo thar a bheith mórtábhseach.

Romildo de Sales (front), originally from Brazil, collecting his Lotto Plus 2 cheque for €200,000 in May.

Romildo de Sales (chun tosaigh), ar de bhunadh na Brasaíle é, ag bailiú a sheic Lotto Plus 2 ar €200,000 i mí na Bealtaine.





- In the health category allocations for 2006, for example, the Irish Kidney Association received €500,000 to promote its Kidney Donor Scheme.
- One of Ireland's largest providers of services for people with learning disability, St Michael's House, Artane, Dublin received €40,600 from the National Lottery through the Communities Facilities Grants.
- Sports continues to be a major beneficiary of National Lottery funding, with €53.7 million awarded under the Sports Capital Programme in 2006 to sports clubs in every county in Ireland to improve their facilities. For example, Sixmilebridge GAA club in Clare was awarded €250,000 in National Lottery funding to contribute to pitch development and floodlighting while Banagher United Soccer Club in Offaly received €100,000 for pitch development and dressing room improvements.
- In the Irish language sector, Ciste na Gaeilge was financed from proceeds of the National Lottery. This is a fund from which Irish language organisations such as Bord na Leabhar Gaeilge, Comhaltas Ceoltóirí Éireann and Taibhdhearc na Gaillimhe as well as various Irish initiatives such as Gael-Taca, Gaillimh le Gaeilge and Tiobraid Árann ag Labhairt are grant-aided.

#### The Future

In 2007 the National Lottery celebrates its 20th Birthday. The development work undertaken in the year under review, in particular the changes to the Lotto structure, leaves us in a very strong position to face the future with confidence.

We will continue to monitor changes in society and, most importantly, changes in our players' preferences, as we develop fun and exciting new games appropriate for an ever-changing Ireland.

- Sna leithdháiltí i gcatagóir na sláinte do 2006, mar shampla, fuair Cumann Duán na hÉireann €500,000 chun a Scéim Dheonadh Duán a chur chun cinn.
- Fuair ceann de na soláthraithe seirbhíse is mó in Éirinn, do dhaoine le héagumas foghlamtha, Teach Mhichíl Naofa, Ard Aidhín, Baile Átha Cliath, deontas ón gCrannchur Náisiúnta trí na Deontais d'Áiseanna Pobail.
- Tá cúrsaí spóirt i gcónaí mar cheann de na tairbhíthe is mó ó chistíocht an Chrannchuir Náisiúnta agus deonaíodh €53.7 milliún faoi Chlár Caipitil Spóirt i 2006 do chlubanna spóirt i ngach contae in Éirinn chun a cuid áiseanna a fheabhsú. Mar shampla, deonadh €250,000 do chlub CLG Dhroichead Abhann Ó gCearnaigh sa Chlár cuid den chostas ar fhorbairt a pháirce agus tuilsoilse a íoc agus fuair Club Sacair Bheannchair in Uíbh Fhailí €100,000 i leith fhorbairt a pháirce agus feabhsú a seomraí gléasta.
- In earnáil na Gaeilge, maoiníodh Ciste na Gaeilge ón gCrannchur Náisiúnta. Ciste é seo óna maoinítear eagraíochtaí Gaeilge mar Bord na Leabhar Gaeilge, Comhaltas Ceoltóirí Éireann agus Taibhdhearc na Gaillimhe chomh maith le tionscadail Ghaeilge dála Gael-Taca, Gaillimh le Gaeilge agus Tiobraid Árann ag Labhairt.

#### An Todhchaí

I 2007 ceiliúrfaidh an Crannchur Náisiúnta a 20ú breithlám. Fágann an obair forbartha a rinneadh le linn na bliana atá faoi chaibidil, go háirithe na hathruithe ar struchtúr Lotto, sinn i riocht an-láidir chun aghaidh a thabhairt ar an todhchaí le muinín.

Leanaimid orainn de bheith ag déanamh monatóireachta ar athruithe sa tsochaí agus thar aon ní, ar athruithe i roghanna ár n-imreoirí de réir mar a fhorbraímid cluichí nua spreagúla a oireann d'Éirinn atá ag síor-athrú.



**Dermot Griffin**

National Lottery Director, 20 February, 2007  
Stiúrthóir an Chrannchuir Náisiúnta, 20 Feabhra, 2007

## Directors & Management Na Stiúrthóirí & an Bhainistíocht



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Hugh O'Reilly  
Company Solicitor  
*Atur nae Comhlachta*

Auditors  
*Iniúchóirí*  
KPMG  
Chartered Accountants

Bankers  
*Baincéirí*  
Bank of Ireland

Solicitors  
*Atur naetha*  
Matheson Ormsby Prentice



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## Board of Directors

### An Bord Stiúrtha

- 01 Donal Connell *C.Eng., F.I.E.I., B.E.*<sup>2</sup>  
Chairman  
Chief Executive, An Post  
Cathaoirleach  
Príomhfheidhmeannach, An Post
- 02 Dermot Griffin  
National Lottery Director  
Stiúrthóir an Chrannchuir Náisiúnta
- 03 Micheál Ó Muircheartaigh<sup>1,2</sup>  
Chairman, Guaranteed Irish Limited  
and RTÉ Broadcaster  
Cathaoirleach, Guaranteed Irish Limited  
agus Craoltóir le RTÉ
- 04 Niamh McGowan<sup>1,2</sup>  
Barrister-at-Law/Management Consultant  
Abhcóide/Comhairleoir Bainistíochta
- 05 James Hyland<sup>1</sup>  
Partner  
Hyland Johnson Murray  
Chartered Accountants  
Páirtí  
Hyland Johnson Murray  
Cuntasóirí Cairte
- 06 Paraic O'Rourke  
Managing Director,  
Kilkenny Block Company Limited  
Stiúrthóir Bainistíochta,  
Kilkenny Block Company Limited
- 07 Barbara Patton  
Business Marketing Consultant  
Comhairleoir Margaíochta Gnó
- 08 Michael Tyndall  
Company Secretary  
Rúnaí Cuideachta

## Management

### An Bhainistíocht

- 02 Dermot Griffin  
National Lottery Director  
Stiúrthóir an Chrannchuir Náisiúnta
- 09 Noel Browne  
Head of Finance  
Ceann Airgeadais
- 10 Eddie Banville  
Head of Marketing  
Ceann Margaíochta
- 11 Harry Cooke  
Head of Operations and Corporate Affairs  
Ceann ar Oibríochtaí agus Gnóthaí Corparáideacha

<sup>1</sup> Member of the Audit Committee Comhalta den Choiste Iniúchóireachta

<sup>2</sup> Member of the Remuneration Committee Comhalta den Choiste Luach Saothair

Registered Office: General Post Office, O'Connell Street, Dublin 1.

Oifig Chláraithe: Ardoifig an Phoist, Sráid Uí Chonaill, Baile Átha Cliath 1.



# Report of the Directors

The Directors have pleasure in submitting their twentieth annual report, together with the audited financial statements of the Company, for the year ended 31 December, 2006 in fulfilment of their obligations under the Companies Acts, 1963 to 2006.

## 1. The Company

The Company carries on the business of operating the National Lottery under Licence from the Minister for Finance in accordance with the provisions of the National Lottery Act, 1986.

80% of the issued share capital is held by An Post and 20% is held by the Minister for Finance.

## 2. Results for the Year

The results for the year are set out on page 36.

## 3. Business Review

The information required by Section 13 of the Companies (Amendment) Act, 1986, on the development of the business and important events, is included in the Chairman's Statement and Review of Operations on pages 2 to 21. As described therein, the performance of the Company was again very positive with sales growing by 10%, in part driven by the continued success of EuroMillions and the successful launch of Lotto 6/45.

As a result, €218 million was raised for the beneficiary fund in 2006, compared to €203 million in 2005.

In monitoring the Company's performance, the Directors and management have regard to a range of key performance indicators (KPIs).

KPI	Actual performance in 2006	Actual performance in 2005
Prizes as a percentage of sales	53.3%	52.7%
Operating costs as a percentage of sales	14.6%	14.3%
Surplus earned as a percentage of sales	32%	33%
Spend per capita	€160.35	€150.24
Number of retail outlets	3,489	3,413
Prize liability	€60.0 million	€34.3 million

The above KPIs are within the terms of the Licence to operate the National Lottery.

The key risks and uncertainties facing the future development of the Company include the retention of the Company's licence to operate the National Lottery, the Company's significant reliance upon its IT infrastructure and the introduction of new games and channels. The Directors have developed a range of strategies to address these and other risks faced by the Company. The Corporate Governance Statement on page 25 sets out the Company's policies and approach to risks and the related internal control procedures and responsibilities.

## 4. Directors, Secretary and their interests

The Directors of the Company are appointed by the Minister for Finance in accordance with Section 14 of the National Lottery Act, 1986.

On 24 May, 2006, Barbara Patton was appointed to the Board. On 9 June, 2006, Ray Bates resigned from the Board. On 10 June, 2006, Dermot Griffin was appointed to the Board. On 13 July, 2006, Donal Curtin resigned from the Board. On 29 August, 2006, Donal Connell was appointed to the Board. The terms of office of Dermot Griffin and Micheál Ó Muircheartaigh expired on 5 November, 2006 and they were re-appointed from that date.

The Directors and Secretary who held office at 31 December, 2006 had no interest in, shares in, or debentures of, the Company or any Group Company.

# Tuarascáil na Stiúrthóirí

Is cúis áthais do na Stiúrthóirí a bhfichiú tuarascáil bhliantúil a chur i láthair, maille le ráitis airgeadais iniúchta an Chomhlachta, don bhliain dar críoch 31 Nollaig, 2006 agus, dá réir, a gcuid dualgas faoi Achtanna na gCuideachtaí 1963 go 2006 a chomhlíonadh.

## 1. An Comhlacht

Ritheadh an Comhlacht a ghnó chun an Crannchur Náisiúnta a reáchtáil le Ceadúnas ón Aire Airgeadais faoi réir fhorálacha an Ahta um Chrannchur Náisiúnta, 1986.

Tá 80% den scairchaipiteal eisithe i lámha An Post agus tá 20% ag an Aire Airgeadais.

## 2. Torthaí na Bliana

Tá torthaí na bliana leagtha amach ar leathanach 36.

## 3. Athbhreithniú Gnó

Tá an t-eolas a éilítear faoi réir Acht na gCuideachtaí (Leasú) 1986, ar fhorbairt an ghnó agus ar imeachtaí tábhachtacha, clúdaithe i Ráiteas an Chathaoirligh agus san Athbhreithniú Oibríochtaí ar leathanaigh 2 go 21. Mar a ríomhtar ansin, bhí feidhmiú an Chomhlachta an-dearfach arís. An rath leanúnach atá ar EuroMillions agus seoladh rathúil Lotto 6/45 ba chúis le cuid de seo.

Mar thoradh air seo, gnóthaíodh €218 milliún do chiste na dtairbhíthe i 2006 i gcomparáid le €203 milliún i 2005.

Agus monatóireacht á dhéanamh acu ar fheidhmiú an chomhlachta, tógann na Stiúrthóirí agus an bhainistíocht aird ar raon d'eochartháscairí feidhmiúcháin (ETFanna).

ETF	Feidhmiúchán Iarbhíre i 2006	Feidhmiúchán Iarbhíre i 2005
Duaiseanna mar chéatadán den díolachán	53.3%	52.7%
Costais oibríochta eile mar chéatadán den díolachán	14.6%	14.3%
Barrachas tuillte mar chéatadán den díolachán	32%	33%
Caiteachas per capita	€160.35	€150.24
Líon na n-asraon miondiola	3,489	3,413
Dliteanas duaise	€60.0 million	€34.3 million

Tá na ETFanna thuasluaite taobh istigh de théarmaí an cheadúnais chun an Crannchur Náisiúnta a reáchtáil.

I measc na n-eochair-rioscaí agus na neamhchinnteachtaí atá ar aghaidh fhorbairt an chomhlachta amach sa todhchaí tá coinneáil cheadúnas an chomhlachta chun an Crannchur Náisiúnta a reáchtáil, spleáchas suntasach an chomhlachta ar a bhonneagar theicneolaíocht faisnéise agus tabhairt isteach chluichí agus chainéil nua. Tá na Stiúrthóirí tar éis raon straitéisí a cheapadh chun déileáil leo seo agus le rioscaí eile a gcaitheann an comhlacht aghaidh a thabhairt orthu. Tá polasaithe agus cur chuige an chomhlachta maidir le rioscaí agus gnáthaimh inmheánacha rialaithe goiomhara leagtha amach sa Ráiteas ar Rialachas Corparáide ar leathanach 25.

## 4. Stiúrthóirí, Rúnaí agus a leas tairbhíúil

Is é an tAire Airgeadais a cheapann Stiúrthóirí an Chomhlachta faoi réir Alt 14 den Acht um Chrannchur Náisiúnta 1986.

Ar 24 Bealtaine, 2006, ceapadh Barbara Patton ar an mBord. Ar 9 Meitheamh, 2006, d'éirigh Ray Bates as an mBord. Ar 10 Meitheamh, 2006, ceapadh Dermot Griffin ar an mBord. Ar 13 Iúil, 2006, d'éirigh Donal Curtin as an mBord. Ar 29 Lúnasa, 2006, ceapadh Donal Connell ar an mBord. Tháinig tréimhsí oifige Dermot Griffin agus Mhichíl Uí Mhuircheartaigh chun críche ar 5 Samhain, 2006 agus athcheapadh iad ón dáta sin ar aghaidh.

Ní raibh leas tairbhíúil ná scaireanna sa Chomhlacht ná bintiúir a bhain leis nó le haon Ghrúp-Chuideachta ag na Stiúrthóirí ná ag an Rúnaí a bhí in oifig ar 31 Nollaig, 2006.

# Report of the Directors

## 5. Employees

The Company and An Post, who provides seconded staff to the Company, are equal opportunities employers. All applications for employment are given full and fair consideration, due regard being given to the aptitude and ability of the individual and the requirements of the position concerned.

All persons are treated on equal terms as regards training, career development and promotion.

The well-being of staff working in the Company is safeguarded through the strict adherence to health and safety standards. The Safety, Health and Welfare at Work Act, 2005 imposes certain requirements in respect of staff and the Company has taken the necessary action to ensure compliance with the Act, including the adoption of a Safety Statement.

## 6. Corporate Governance

Maintaining high standards of corporate governance continues to be a priority of the Directors of An Post National Lottery Company. The Board has developed its corporate governance policy so as to give effect to the Code of Practice for the Governance of State Bodies issued by the Department of Finance and to apply as appropriate the relevant main and supporting principles of good governance in the 2003 Combined Code issued by the Financial Reporting Council in the UK. While the provisions of the Combined Code are of direct relevance only to listed companies, the Board does feel that their application, where appropriate, assists the Company in its compliance with best corporate governance practice.

The Directors are accountable to the shareholders for good corporate governance and this report addresses how the relevant main and supporting principles of the Code of Best Practice for the Governance of State Bodies and the 2003 Combined Code have been applied within An Post National Lottery Company.

### The Board

The Company is controlled through its Board of Directors. The Board's main roles are to oversee the operation of the Company, to provide leadership to the Company, to approve the Company's strategic objectives and to ensure that the necessary financial and other resources are made available to enable them to meet those objectives. The Board, which meets monthly during the year, has a schedule of matters reserved for its approval.

The specific responsibilities reserved to the Board include: setting Company strategy and approving an annual budget and medium-term projections; reviewing operational and financial performance; approving major capital expenditure; ensuring compliance with the terms of the Licence to operate the National Lottery; reviewing the Company's systems of financial control and risk management; ensuring that appropriate management development and succession plans are in place; reviewing the environmental, health and safety performance of the Company; approving the appointment of the Company Secretary; and ensuring that a satisfactory dialogue takes place with shareholders.

The Board has delegated the following responsibilities to management: the development and recommendation of strategic plans for consideration by the Board that reflect the longer-term objectives and priorities established by the Board; implementation of the strategies and policies of the Company as determined by the Board; monitoring of the operating and financial results against plans and budgets; development of controls over the operation of draws, prioritising the allocation of technical and human resources; and developing and implementing risk management systems.

### The roles of the Chairman and National Lottery Director

The Chairman leads the Board in the determination of its strategy and in the achievement of its objectives. The Chairman is responsible for organising the business of the Board, ensuring its effectiveness and setting its agenda. The Chairman facilitates the effective contribution of non-executive Directors and constructive relations between the executive Director and non-executive Directors, ensures that Directors receive accurate, timely and clear information and manages effective communication with shareholders.

The National Lottery Director has direct charge of the Company on a day to day basis and is accountable to the Board for the financial and operational performance of the Company.

# Tuarascáil na Stiúrthóirí

## 5. Fostaithe

Fostóirí comhdheise iad an Comhlacht agus An Post, a sholáthraíonn foireann ar shealscarúint don Chomhlacht. Cuirtear gach iarratas ar fhóstaíocht san áireamh go hiomlán agus go cothrom agus tugtar aird chuí ar mhianach agus ar chumas an duine agus ar riachtanais an phoist atá i gceist.

Caitear le gach duine ar bhonn cothrom chomh fada is a bhaineann sé le hoiliúint, le forbairt gairme agus le hardú céime a thabhairt.

Déantar cúram de dheabhaíl na foirne, atá ag obair leis an gComhlacht trí chloí go docht le caighdeán shábháilteachta agus sláinte. Leagann An tAcht um Shábháilteacht, Sláinte agus Leas ag an Obair, 2005, dualgaís áirithe i leith na foirne agus tá na céimeanna riachtanacha glactha ag an gComhlacht chun déanamh de réir an Aichta. Áirítear orthusan glacadh le Ráiteas Sábháilteachta.

## 6. Rialachas Corparáide

Tosaíocht é ag Stiúrthóirí Chomhlacht Chrannchuir Náisiúnta an Phoist ar chaidreamh rialachais corparáide a choinneáil. D'fhorbair an Bord a pholasaí ar rialachas corparáide le go mbeadh feidhm ag an gCód Sárlachtais um Rialachas Chomhlachtaí Stáit a d'eisigh an Roinn Airgeadais agus chun feidhm a thabhairt nuair is cuí do phríomhphrionsabail agus do phrionsabail thacaíochta ábhartha um dheabhaíl atá sa Chomhlacht a d'eisigh an Financial Reporting Council sa Ríocht Aontaithe i 2003. Siúd is go mbaimeann forálacha an Chomhlachta go díreach le cuideachtaí liostáilte amháin, braitheann an Bord go gcuideann a bhfeidhmí mar is cuí leis an gComhlacht chun sár-chleachtas rialachais corparáide a chomhlíonadh.

Tá na Stiúrthóirí freagrach do na scairshealbhoirí as dearlachas corparáide agus pléann an tuarascáil seo leis an tsi inar cuireadh i bhfeidhm na príomhphrionsabail agus na príonsabail thacaíochta ábhartha atá le fáil sa Chód Sárlachtais um Rialachas Chomhlachtaí Stáit agus i gComhlachd 2003 i gcás Chomhlacht Chrannchuir Náisiúnta an Phoist.

### An Bord

Rialaítear an Comhlacht trína Bhord Stiúrtha. Is iad príomhról an Bhoird maoirseacht a dhéanamh ar oibríochtaí an Chomhlachta, cinnteacht a sholáthar don Chomhlacht, cuspóirí straitéiseacha an Chomhlachta a fhaomhadh agus deimhin a dhéanamh de go gcuirtear ar fáil na hacmhainní riachtanacha airgeadais agus eile chun gur féidir leo na cuspóirí sin a bhaint amach. Uair sa mhí a thagann an Bord le chéile le linn na bliana. Tá sceideal ábhar atá forchoimeáda le faomhadh ag an mBord.

I measc na sainfhreagrachtaí atá forchoimeáda don Bhord tá: straitéis an Chomhlachta a cheapadh; an buiséad bliantúil agus na réamh-mheastacháin mheántéarmacha a fhaomhadh; feidhmí oibríoch agus airgeadais a athbhreithniú; mórchaiteachas caipitil a fhaomhadh; deimhin a dhéanamh de go bhfuil téarmaí an cheadúnais chun an Crannchuir Náisiúnta a reáchtáil á gcomhlíonadh; córais an Chomhlachta um rialú airgeadais agus bainistíu riosca a athbhreithniú; deimhin a dhéanamh de go bhfuil pleananna cuí i bhfeidhm chun forbairt agus comharbaíocht na bainistíochta a chinntiú; feidhmí an Chomhlachta ó thaobh na timpeallachta agus cúrsaí sláinte is sábháilteachta de a athbhreithniú; ceapadh Rúnaí an Chomhlachta a fhaomhadh agus deimhin a dhéanamh de go mbíonn idirphlé sásúil ann leis na scairshealbhoirí.

Tá na freagrachtaí seo a leanas tarmilgthe ag an mBord don bhainistíocht: pleananna straitéiseacha, a bheadh ag teacht le cuspóirí agus le tosaíochtaí fadtéarmacha an Bhoird, a cheapadh agus a mholadh don Bhord le scrúdú; straitéisí agus polasaithe an Chomhlachta, mar atá sonraithe ag an mBord, a fheidhmiú; faireachán a dhéanamh ar thorthaí oibríochta agus airgeadais i gcomparáid le pleananna agus le buiséid; córais rialaithe a fhorbairt do reáchtáil na gcrannchuir; tosaíochtaí a cheapadh do chionroinnt acmhainní daonna is teicniúla; agus córais bainistíochta riosca a cheapadh is a chur i bhfeidhm.

### Ról an Chathaoirligh agus Stiúrthóir an Chrannchuir Náisiúnta

Is é An Cathaoirligh a threoraíonn an Bord maidir le cinneadh polasaí agus le baint amach a chuid cuspóirí. Is é an Cathaoirligh atá freagrach as gnó an Bhoird a eagrú, as a éifeacht a chinntiú agus as an clár gnó a shocrú. Éascaíonn an Cathaoirligh rannpháirtíocht éifeachtach na Stiúrthóirí neamh-fheidhmiúcháin agus deachaidreamh idir iad agus an Stiúrthóir feidhmiúcháin agus cinntiann sé go bhfaigheann na Stiúrthóirí eolas cruinn, tráthúil agus soiléir. Bainistíonn sé freisin cumarsáid éifeachtach leis na scairshealbhoirí.

Is ag Stiúrthóir an Chrannchuir Náisiúnta atá údarás díreach ar an gComhlacht ó lá go chéile agus tá sé freagrach don Bhord as feidhmí oibríoch agus airgeadais an Chomhlachta.



# Report of the Directors

## Senior Independent Director

The Board has considered the matter of designating a recognised senior member other than the Chairman to whom concerns can be conveyed and, in view of the manner of appointment of Directors, the shareholding structure and existing Board procedures, has concluded it is not appropriate in the circumstances.

## Directors and Directors' independence

The Board currently comprises the Chairman, five non-executive Directors and the National Lottery Director. The names of the Directors together with their biographical details are set out on page 23. The positions of Chairman and National Lottery Director are held by different persons. Given its status as a State Company, its shareholding structure and the appointment of the Directors by the Minister, the Board believes that the criteria normally used by the board of a listed Company in considering the independence of its directors do not apply to the Company. The Board includes independent non-executive directors who constructively challenge and help develop proposals on strategy, bring strong, independent judgement, knowledge, and experience to the Board's deliberations. The independent Directors are of sufficient calibre and number that their views carry significant weight in the Board's decision making.

The 2003 Combined Code requires the Chairman to hold meetings with the non-executive Directors without the executive Director being present. The Board has formalised procedures in this regard.

Directors have the right to ensure that any concerns they have, which cannot be resolved, about the running of the Company or a proposed action, are recorded in the Board minutes. In addition, upon resignation, a non-executive Director will be asked to provide a written statement to the Chairman, for circulation to the Board, if they have any such concerns.

The Directors are given access to independent professional advice at the Company's expense, when the Directors deem it is necessary in order for them to carry out their responsibilities.

All of the non-executive Directors are independent of management. The Board includes both the chief executive of the Company's parent company, An Post, as Chairman and James Hyland, a non-executive director of An Post. The Board considers all other non-executive Directors to be independent on the basis of the following:

- they have not been an employee of the Company within the last five years;
- they have no material business relationship with the Company, nor have they had any within the last three years;
- they receive no remuneration other than through Director's fees;
- they have no close family ties with any of the Company's advisers, Directors or senior employees;
- they hold no cross-directorships and have no significant links with other Directors through involvement in other companies or bodies.

## Professional development

On appointment, all new directors take part in an induction programme when they receive information about the Company, the role of the Board and the matters reserved for its decision, the terms of reference and membership of the principal Board and Board committees, the Company's corporate governance practices and procedures, including the responsibilities delegated to Company senior management, and the latest financial information about the Company. This will typically be supplemented by meetings with key senior executives. Throughout their period in office, the Directors are continually updated on the Company's business, the competitive and regulatory environments in which it operates, corporate social responsibility matters and other changes affecting the Company and the lottery industry as a whole, by written briefings and meetings with senior executives. Directors are also advised on appointment of their legal and other duties and obligations as a Director, both in writing and in face-to-face meetings with the Company Secretary. They are also updated on changes to the legal and governance requirements of the Company and upon themselves as Directors.

# Tuarascáil na Stiúrthóirí

## Stiúrthóir Sinsearach Neamhspleách

Scrúdaigh an Bord an fhéidearthacht go gceapfaí comhalta sinsearach inaitheanta, seachas an Cathaoirleach, mar dhuine go bhféadfaí ábhair imní a chur faoina bhráid. I ngeall ar an tslí ina gceaptar Stiúrthóirí, struchtúr an scairchaipitil agus gnáthaimh reatha an Bhoird, shocraigh an Bord nach mbeadh a leithéid de shocrú oiriúnach faoi láthair.

## Stiúrthóirí agus Neamhspleáchas na Stiúrthóirí

San am i láthair, is iad comhaltaí an Bhoird an Cathaoirleach, cúigear Stiúrthóirí neamh-fheidhmiúcháin agus Stiúrthóir an Chrannchuir Náisiúnta. Tá ainmneacha na Stiúrthóirí mar aon le sonraí beathaisnéise orthu leagtha amach ar leathanach 23. Daoine difriúla atá i bpost an Chathaoirleach agus i bpost Stiúrthóir an Chrannchuir Náisiúnta. Nuair a chuirtear san áireamh gur comhlacht Stáit atá i gceist, struchtúr an scairchaipitil agus gurb é an tAire a cheapann na Stiúrthóirí, measann an Bord nach dtagann na gnáth-chritéir, a d'úsáidfeadh stiúrthóirí chuideachta liostáilte chun neamhspleáchas a stiúrthóirí a mheas, i bhfeidhm sa chás seo. Áirítear ar an mBord stiúrthóirí neamh-fheidhmiúcháin neamhspleácha a cheistíonn ar bhealach dearfach moltaí faoi chúrsaí straitéise agus a chabhraíonn le hiad a fhorbairt. Thairis sin, tugann siad breithiúnas láidir, neamhspleách, maille le heolas agus tairbhí agus ceisteanna á scrúdú ag an mBord. Tá na Stiúrthóirí neamhspleácha líonmhar a dhóthain agus de chaidheán sách ard le go mbeadh tionchar nach beag ag a dtuairimí ar chinntí an Bhoird.

Faoi Chomhchód 2003 tá dualgas ar an gCathaoirleach cruinnithe a bheith aige leis na Stiúrthóirí neamh-fheidhmiúcháin gan an Stiúrthóir feidhmiúcháin a bheith i láthair. Tá glactha go foirmiúil ag an mBord leis na gnáthaimh chuí chuige seo.

Tá sé de cheart ag Stiúrthóirí deimhin a dhéanamh de go gcláraítear i miontuairiscí an Bhoird aon ábhar imní gan réiteach atá acu faoi réachtáil an Chomhlachta nó faoi bheart atá molta. De bhreis air sin, iarrfar ar aon Stiúrthóir neamh-fheidhmiúcháin a éiríonn as oifig, ráiteas i scríbhinn a thabhairt don Chathaoirleach, le cur thart ar an mBord, má tá aon ábhar imní aige.

Cuirtear comhairle neamhspleách phroifisiúnta ar fáil do na Stiúrthóirí ar chostas an Chomhlachta má shíleann na Stiúrthóirí go bhfuil gá lena leithéid le go bhféadfaidís a gcuid dualgas a chomhlíonadh.

Tá na Stiúrthóirí neamh-fheidhmiúcháin uile neamhspleách ar an mbainistíocht. Comhaltaí den Bhord iad príomhfheidhmeannach mháthair-chuideachta an Chomhlachta, An Post, atá ina Chathaoirleach, agus James Hyland, stiúrthóir neamh-fheidhmiúcháin ar An Post. Measann an Bord na Stiúrthóirí neamh-fheidhmiúcháin eile a bheith neamhspleách ar an mbonn seo a leanas:

- nárbh fhostaí ag an gComhlacht iad le cúig bliana anuas;
- nach bhfuil aon ghaol gnó ábhartha acu leis an gComhlacht agus nach raibh aon ghaol den chineál sin acu le trí bliana anuas;
- nach bhfuil aon luach saothair, seachas a dtáillí mar Stiúrthóirí, á fháil acu;
- nach bhfuil aon ghaol gairid clainne acu le haon chomhairleoir, stiúrthóir nó fostaí sinsearach de chuid an Chomhlachta;
- nach bhfuil tras-stiúrthóireachtaí acu ná aon cheangal suaithinseach le Stiúrthóirí eile trí chuideachtaí nó comhlachtaí eile.

## Forbairt Phroifisiúnta

Ar a gceapadh dóibh glacann na Stiúrthóirí nua go léir páirt i gcúrsa intreorach mar a bhfaigheann siad eolas i dtaobh an Chomhlachta, ar ról an Bhoird agus na nithe atá forchoimeáda dá chinneadh, ar théarmaí tagartha agus ar bhallaíocht an Phríomh-Bhoird agus choistí an Bhoird, ar chleachtas is ar ghnáthaimh rialachais chorpáidigh an Chomhlachta, ina measc na freagrachtaí atá tarmilgthe le bhainisteoirí sinsearach an Chomhlachta, maille leis an eolas airgeadais is déanaí faoin gComhlacht. De ghnáth, cuirtear leis seo trí chruinnithe le heochair-fheidhmeannaigh sinsearach. Le linn a dtréimhsí oifige coinnítear Stiúrthóirí suas chun dáta ar ghnóthaí an Chomhlachta, ar na tosca iomaíocha agus rialála faoin a bhfuil sé ag gníomhú, ar fhreagracht shóisialta chorpáideach agus ar athruithe eile a bhfuil éifeacht acu ar an gComhlacht agus ar thionscal na grannchuir ina iomláine. Déantar é seo trí mhionteagasc i scríbhinn agus trí chruinnithe le feidhmeannaigh sinsearach. Cuirtear Stiúrthóirí ar an eolas freisin faoin a gcuid dualgas dlíthiúla agus eile mar Stiúrthóirí. Déantar é seo i scríbhinn agus ag cruinnithe i láthair Rúnaí an Chomhlachta. Coinnítear suas chun dáta iad chomh maith faoi athruithe i riachtanais dlíthiúla agus rialachais an Chomhlachta agus a gcuid féin mar Stiúrthóirí.



# Report of the Directors

## Performance evaluation

All Directors are appointed to the Board by the Minister for Finance in accordance with Section 14 of the National Lottery Act, 1986 and their terms of office (generally three years) are set out in writing.

The Board has adopted and performed a formal process for the annual evaluation of the performance of the Board and its principal Committees. The Board considers that the introduction of any further formal evaluation of individual Directors would be inappropriate given the manner of appointment of Directors, the shareholding structure and existing Board procedures.

## The Company Secretary

The Company Secretary is a full time employee of the Company's parent company, An Post. The Company Secretary is responsible for advising the Board, through the Chairman, on all governance matters. All Directors have access to the advice and services of the Company Secretary. The Company's Articles of Association provide that the appointment and removal of the Company Secretary is a matter for the full Board.

## Information

Regular reports and papers are circulated to the Directors in a timely manner in preparation for Board and Committee meetings. These papers are supplemented by information specifically requested by the Directors from time to time.

The non-executive Directors receive monthly management accounts and regular management reports and information which enables them to scrutinise the Company's and management's performance against agreed objectives.

## Relations with shareholders

The Board and management maintain an ongoing dialogue with the Company's shareholders on strategic issues. In addition, under the National Lottery Act, 1986, certain operational matters require the approval of the Minister for Finance in respect of which ongoing contact with the Minister is maintained.

In fulfilment of his obligations under the Combined Code, the Chairman gives feedback to the Board on issues raised with him by the shareholders. All Directors normally attend the Annual General Meeting and shareholders are invited to ask questions during the meeting and to meet with Directors after the formal proceedings have ended.

## Internal Control

An ongoing process exists for identifying, evaluating and managing the significant risks faced by the Company. This process, which is based on the Combined Code Guidance for directors issued by the Institute of Chartered Accountants in England and Wales (the Turnbull Guidance), is periodically reviewed by the Directors and has been in place throughout the accounting period and up to the date the financial statements were approved.

In accordance with the guidance of the Turnbull committee, the Directors are responsible for the Company's system of internal control, should set appropriate policies on internal control, should seek regular assurance that will enable them to satisfy themselves that the system is functioning effectively and should ensure that the system of internal control is effective in managing risks in the manner which it has approved. Such a system is designed to manage rather than eliminate business risks and can provide only reasonable rather than absolute assurance against material misstatement or loss.

The Directors have continued to review the effectiveness of the Company's system of financial and non-financial controls, including operational and compliance controls, risk management and the Company's high level internal control arrangements. These reviews have included an assessment of internal controls by management, management assurance of the maintenance of controls, reports from the internal auditor and reports from the external auditor on matters identified in the course of its statutory audit work.

The Company views the careful management of risk as a key management activity. Managing business risk to deliver opportunities is a key element of all activities. This is done using a simple and flexible framework which provides a consistent and sustained way of implementing the Company's values. These business risks, which may be strategic, operational, reputational, financial or environmental, should be understood and visible. The business context determines in each situation the level of acceptable risk and controls.

# Tuarascáil na Stiúrthóirí

## Meastóireacht ar Fheidhmiú

Ceapann an tAire Airgeadais na Stiúrthóirí ar an mBord faoi réir Alt 14 den Acht um Chrannchur Náisiúnta 1986 agus leagtar amach a dtréimhsí oifige (trí bliana sa ghnáthshlí) i scríbhinn.

Tá glactha ag an mBord le próiseas foirmiúil chun meastóireacht bhliantúil a dhéanamh ar fheidhmiú an Bhoird agus a phríomhchoistí agus Stiúrthóirí aonair agus chuir siad i bhfeidhm é. Tá an Bord den tuairim nach mbeadh aon mheastóireacht fhoirmiúil bhreise ar Stiúrthóirí aonair cuí nuair a chuirtear san áireamh an tslí ina gceaptar Stiúrthóirí, an struchtúr scairsheilbhe agus na gnáthaimh atá ag an mBord faoi láthair.

## Rúnaí an Chomhlachta

Fostaí de chuid na máthair-chuideachta, An Post, é Rúnaí an Chomhlachta. Tá Rúnaí an Chomhlachta freagrach as eolas a choinneáil leis an mBord tríd an gCathaoirleach ar gach gnó rialachais. Tá fáil ag na Stiúrthóirí uile ar chomhairle is ar sheirbhísí Rúnaí an Chomhlachta. Faoi réir na nAirteagal Comhlachais is gnó don Bhord ina iomláine é Rúnaí an Chomhlachta a cheapadh is a bhriseadh.

## Eolas

Cuirtear tuarascála agus páipéir thart ar na Stiúrthóirí in am tráth do chruinnithe Boid is Coistí. Cuirtear leis na páipéir seo trí eolas ar leith a sholáthar de réir mar a iarrann Stiúrthóirí é ó am go chéile.

Faigheann na Stiúrthóirí neamhfheidhmiúcháin cuntais mhíosúla bainistíochta maille le tuairiscí agus eolas rialta ón mbainistíocht, rud a chuireann ar a gcumas mionscrúdú a dhéanamh ar fheidhmiú na bainistíochta agus an Chomhlachta i gcomparáid le spriocanna aontaithe.

## Caidreamh le Scairsealbhóirí

Bionn idirphlé leanúnach idir an Bord is an bhainistíocht le scairsealbhóirí an Chomhlachta faoi nithe straitéiseacha. Thairis sin, faoin Acht um Chrannchur Náisiúnta 1986, ní mór faomhadh an Aire Airgeadais a fháil do ghnóthaí oibríocha áirithe agus chuige sin coinnítear teagmháil leanúnach leis an Aire.

Agus a chuid dualgas faoin gComhchód á chomhlíonadh aige, tugann an Cathaoirleach aiseolas don Bhord ar cheisteanna a thóg na scairsealbhóirí leis. Is gnách leis na Stiúrthóirí uile freastal ar an gCruinniú Cinnbhliana agus tugtar cuireadh do na scairsealbhóirí ceisteanna a chur le linn an chruinnithe agus casadh ar na Stiúrthóirí nuair a bhíonn deireadh leis na himeachtaí foirmiúla.

## Rialú Inmheánach

Tá próiseas leanúnach ann chun na rioscaí suntasacha, a gcaitheann an Comhlacht aghaidh a thabhairt orthu, a aithint, a mheasúnú agus a bhainistiú. Tá an próiseas seo bunaithe ar Theoracha an Chomhchóid do stiúrthóirí a d'eisigh Institiúid na gCuntasóirí Cairte i Sasana agus sa Bhreatain Bheag (Theoracha Turnbull). Athbhreithníonn na Stiúrthóirí iad ó am go chéile agus bhí feidhm leo le linn na tréimhse cuntasaoíochta suas go dtí an dáta ar a faomhadh na ráitis airgeadais.

Faoi réir na teorach a thugann coiste Turnbull, tá na Stiúrthóirí freagrach as córas rialaithe inmheánaigh an Chomhlachta, Ba chóir dóibh polasaithe cuí ar rialú inmheánach a shocrú, deimhniú a lorg go rialta a shásóidh iad go bhfuil an córas ag feidhmiú go héifeachtach agus ní mór dóibh a bheith sásta go bhfuil an córas rialaithe inmheánaigh éifeachtach chun rioscaí a bhainistiú ar an dóigh a faomhadh. Ceaptar córas mar seo chun rioscaí gnó a bhainistiú seachas fáil réidh leo agus ní thig leis ach barántas réasúnta, seachas barántas iomlán, a thabhairt in aghaidh aon mhíríteas ábhartha nó cailteanas.

Lean na Stiúrthóirí de bheith ag athbhreithniú éifeacht chóras rialaithe airgeadais agus neamh-airgeadais an Chomhlachta, ina measc rialúcháin oibríoch agus oiriúna, bainistíocht rioscaí agus socruithe rialaithe ardleibhéil an Chomhlachta. Mar chuid den athbhreithniú seo rinneadh meastóireacht ar rialúcháin inmheánacha na bainistíochta, ar dheimhniú na mbainistíocht go leantar den rialú, ar thuairiscí ón iniúchóir inmheánach agus ar thuairiscí ón iniúchóir seachtach ar chúrsaí a aithníodh agus an obair reachtúil iniúcháireachta ar bun.

Tá an Comhlacht den tuairim gur eochair-ghníomhaíocht de chuid na bainistíochta é bainistiú cáiríseach a dhéanamh ar rioscaí. Buneilimint in aon ghníomhaíocht é rioscaí gnó a bhainistiú chun deiseanna a thapú. Déantar é seo trí úsáid a bhaint as frámaíocht shimplí sholúbtha a chruthaíonn bealach buan agus seasmhach chun luachanna an Chomhlachta a chur i bhfeidhm. Ba chóir go mbeadh na rioscaí gnó seo, bídís ina rioscaí straitéiseacha, oibríocha, deacháile, airgeadais nó timpeallachta, intuigthe agus sofheicthe. In aon chúinse ar leith, is é an comhthéacs gnó a shocraíonn leibhéal inghlactha rialú rioscaí agus cinn ghoalmhara.

## Report of the Directors

Management is responsible for the identification and evaluation of significant risks and for the design and implementation of appropriate internal controls. These risks are assessed on an ongoing basis and are derived from a variety of external and internal sources. Management reports regularly to the Board on the key risks inherent in the business and on the way in which these risks are managed. Management also reports to the Board on any significant changes in the Company's business and on any risks associated with such changes. The process used to identify and manage key risks is an integral part of the internal control environment.

The key procedures which the Directors have established with a view to providing effective internal control are as follows:

- A clear focus on business objectives as determined by the Board after consideration of the statutory responsibilities and risk profile of the Company's business.
- A defined organisational structure with clear lines of responsibility, delegation of authority and segregation of duties designed to foster a beneficial control environment.
- A risk management process which considers the strategy and development of the business in the context of the annual budget process when financial plans and performance targets are set and reviewed by the Board in light of the Company's overall objectives.
- A report and control system which produces a comprehensive set of financial reports. The annual budget is approved by the Board. Key financial statistics are monitored by management on a daily basis. Actual results are reported monthly against budget and any significant adverse variances are examined and remedial action taken.
- Control procedures – comprehensive procedures manuals are maintained by the Company in respect of all its main activities. In particular, there are clearly defined limits and procedures for financial expenditure, including procurement and capital expenditure, and for all draw operations.
- Monitoring system – compliance with control objectives is monitored on an ongoing basis by management. The control system is also monitored by internal audit whose work is focused on the areas of greatest risk to the Company.

The Company has procedures to ensure that appropriate arrangements are in place for employees to be able to raise, in confidence, matters of possible impropriety, with suitable subsequent follow-up action. Reporting channels have been created whereby perceived wrongdoing may be reported orally and via post, telephone and email, anonymously if preferred.

### Attendance at Board and Board Committee meetings

The following table shows the number of Board and Board Committee meetings held during the year ended 31 December, 2006 and the attendance records of individual Directors.

	Board meetings	Audit Committee meetings	Remuneration Committee meetings
<b>Total number of meetings</b>	11	4	3
Donal Connell	4 (4)	–	–
Dermot Griffin	6 (6)	–	–
James Hyland	9 (11)	4 (4)	–
Niamh McGowan	7 (11)	3 (4)	2 (3)
Micheál Ó Muircheartaigh	9 (11)	3 (4)	3 (3)
Paraic O'Rourke	10 (11)	–	–
Barbara Patton	5 (6)	–	–
Ray Bates	5 (5)	–	–
Donal Curtin	6 (6)	–	3 (3)

Figure in brackets indicate maximum number of meetings in the period in which the individual was eligible to attend the Board/Committee meeting.

## Tuarascáil na Stiúrthóirí

Ar an mbainistíocht atá an fhreagracht chun rioscaí suntasacha a aithint agus a mheas agus as rialúcháin inmheánacha cuí a cheapadh is a chur i bhfeidhm. Déantar meastóireacht leanúnach ar na rioscaí seo agus i bunaithe ar raon foinsí inmheánacha agus seachtacha. Tuairiscíonn an bhainistíocht go rialta don Bhord ar na príomh-rioscaí a bhaineann leis an ngnó agus ar an tslí ina ndéantar bainistiú ar na rioscaí. Tuairiscíonn an bhainistíocht don Bhord freisin ar athruithe suntasacha i ngnóthaí an Chomhlachta agus aon rioscaí a eascraíonn as na hathruithe seo. Dlúthchuid den timpeallacht inmheánach rialaithe é an próiseas a úsáidtear chun na príomh-rioscaí a aithint agus a bhainistiú.

Seo a leanas na príomh-ghnáthaimh a cheap na Stiúrthóirí chun rialú inmheánach éifeachtach a chinntiú:

- Na príomhchuspóirí gnó, mar atá leagtha amach ag an mBord, a thabhairt chun cruinne agus na freagrachtaí reachtúla is próifil riosca an Chomhlachta tugtha san áireamh.
- Struchtúr sainithe eagraíochta le línte soiléire freagrachta, tarmligeán údaráis agus dealú dualgas a cheapadh chun timpeallacht tairbheach rialaithe a chothú.
- Próiseas bainistiú rioscaí a thugann san áireamh straitéis agus forbairt an ghnó i gcomhthéacs phróiseas bliantúil an bhuiséid nuair a leagann an Bord amach is mar a athbhreithníonn sé pleananna airgeadais agus spriocanna feidhmithe i gcomhthéacs chuspóirí foriomlána an Chomhlachta.
- Córas tuairiscithe agus rialaithe a chuireann ar fáil tacar uileghabhálach de thuairiscí airgeadais. Faomhann an Bord an buiséad bliantúil. Déanann an bhainistíocht meastóireacht go laethúil ar eochair-staististicí airgeadais. Tuairiscítear na torthaí iarbhire míosúla i gcomparáid leis an mbuiséad agus scrúdaítear difríochtaí substaintiúla diúltacha agus féachtar le hiad a cheartú.
- Gnáthaimh rialaithe – coinníonn an Comhlacht lámhleabhair chuimsitheacha gnáthaimh ar a phríomh-imeachtaí uile. Tá, ach go háirithe, teorainneacha agus gnáthaimh leagtha amach go soiléir faoi chaiteachas airgid. Áirítear anseo soláthairtí, caiteachas capítail agus reachtáil na gcrannchur.
- Córas faireacháin – déanann bainistíocht an Chomhlachta faireachán ar chomhlíonadh na gcuspóirí rialaithe ar bhonn leanúnach. Déantar faireachán ar an gcóras rialaithe freisin trí iniúchadh inmheánach a dhéanamh ar na gnéithe úd is mó riosca don Chomhlacht.

Tá gnáthaimh i bhfeidhm ag an gComhlacht a chinntíonn gur féidir le fostaithe ceisteanna faoi aon iompar míchuí, a fhéadfadh a bheith ann, a ardú faoi dhiscréid agus go leantar an cheist ansin ar bhealach cuí. Tá bealaí tuairiscithe ceaptha trínar féidir aon iompar míchuí, a mheastar a bheith ann, a thuairisciú de bhéal, tríd an bpost, thar an teileafón nó i ríomhphost, agus é sin gan ainm a thabhairt más fearr sin.

### Freastal ar chruinnithe de chuid an Bhoird agus Choistí an Bhoird

Léiríonn an tábla thíos líon na gcrúinnithe a bhí ag an mBord agus ag a chuid Coistí le linn na bliana dar críoch 31 Nollaig, 2006 maille leis an bhfreastal a rinne gach Stiúrthóir.

	Cruinnithe Boird	Cruinnithe an Choiste Iniúcháin-reachta	Cruinnithe an Choiste Luach Saothair
<b>Líon iomlán na gcrúinnithe</b>	11	4	3
Donal Connell	4 (4)	–	–
Dermot Griffin	6 (6)	–	–
James Hyland	9 (11)	4 (4)	–
Niamh McGowan	7 (11)	3 (4)	2 (3)
Micheál Ó Muircheartaigh	9 (11)	3 (4)	3 (3)
Paraic O'Rourke	10 (11)	–	–
Barbara Patton	5 (6)	–	–
Ray Bates	5 (5)	–	–
Donal Curtin	6 (6)	–	3 (3)

Léiríonn an figiúr faoi lúbíní líon iomlán na gcrúinnithe le linn na tréimhe nuair a bhí an duine i dteideal freastal ar chruinní den Bhord/Choiste.



## Report of the Directors

### Directors' remuneration

The remuneration of the National Lottery Director is subject to the approval of the Remuneration Committee of the Company. The objective is to maintain the remuneration of the National Lottery Director at a level which is attractive to the individual while, at the same time, representing value for money for the Company. A proportion of the National Lottery Director's remuneration is performance related and, in this way, is linked to the Company and individual objectives.

Fees for Directors are determined by the Minister for Finance.

No Director has a service contract with the Company.

During the year, the Remuneration Committee comprised Donal Connell, Niamh McGowan, Micheál Ó'Muircheartaigh and Donal Curtin. Up to the date of his resignation on 13 July, 2006, Donal Curtin acted as Chairman of the Committee. Donal Connell joined the Committee as Chairman on 29 August, 2006. When necessary, non-Committee members are invited to attend. The Committee's principal responsibilities are:

- to determine, on behalf of the Board, the remuneration and other terms and conditions of employment of the National Lottery Director;
- to determine, on behalf of the Board, the pay structures and terms and conditions of other senior personnel (as identified by the Chairman of the Board);
- to act, on behalf of the Board, and take all decisions related to pay and pay related matters, as the Chairman of the Board shall determine; and
- to consider any other matters considered by the Committee to be relevant to the foregoing.

The disclosures made in these financial statements relating to Directors' emoluments and pension information are those required under the Irish Companies Acts, 1963 to 2006.

### The Audit Committee

During the year, the Audit Committee comprised James Hyland, Niamh McGowan and Micheál Ó'Muircheartaigh. James Hyland acts as Chairman of the Committee. All the members of the Committee are independent non-executive Directors.

Members of the Committee bring to it a wide range of experience from senior positions in business and includes the managing partner of an accounting practice.

Under its terms of reference, the Audit Committee monitors the integrity of the Company's financial statements. The Committee is responsible for monitoring the effectiveness of the external audit process and making recommendations to the Board in relation to the appointment, re-appointment and remuneration of the external auditors. It is responsible for ensuring that an appropriate relationship between the Company and the external auditors is maintained, including reviewing non-audit services and fees. As a result of regulatory or similar requirements, it is necessary to employ the Company's external auditors for certain audit related and non-audit services. In order to maintain the independence of the external auditors, the Committee has determined policies as to what audit related and non-audit services can be provided by the Company's external auditors and the approval process related to these services. In particular, the Board considers it appropriate that independent observer and draw related services, which are the principal constituent of audit related fees paid, be performed by the external auditors. Under these policies, work of a consultancy nature will not be offered to the external auditors unless there are clear efficiencies and value added benefits to the Company while ensuring that the objectivity and independence of the external auditors is maintained. The Committee monitors the level of fees paid to the external auditors.

The Committee reviews annually the Company's systems of internal control and the processes for monitoring and evaluating the risks facing the Company.

The Committee meets with management, as well as privately with the external auditors.

## Tuarascáil na Stiúrthóirí

### Luach saothair na Stiúrthóirí

Ní mór do Choiste Luach Saothair an Chomhlachta luach saothair Stiúrthóir an Chrannchuir Náisiúnta a fhaomhadh. Tá sé mar chuspóir luach saothair Stiúrthóir an Chrannchuir Náisiúnta a choinneáil ar leibhéal a bheadh mealltach dó agus, ag an am céanna, a thabharfadh luach maith airgid don Chomhlacht. Ioctar sciar de luach saothair Stiúrthóir an Chrannchuir Náisiúnta de réir feidhmíochta agus, ar an dóigh seo, tá baint aige le cuspóirí an Chomhlachta agus leis an duine aonair.

Is é an tAire Airgeadais a shocraíonn táillí na Stiúrthóirí.

Níl conradh seirbhíse ag aon Stiúrthóir leis an gComhlacht.

Le linn na bliana b'iad Donal Connell, Niamh McGowan, Micheál Ó Muircheartaigh agus Donal Curtin comhaltaí an Choiste Luach Saothair. Go dtí gur éirigh sé as an gCoiste ar 13 Iúil, 2006 d'fheidhmigh Donal Curtin mar Chathaoirleach an Choiste. Tháinig Donal Connell ar an gCoiste ar 29 Lúnasa, 2006 mar Chathaoirleach. Nuair ba gá tugadh cuireadh do chomhaltaí nár bhaill den Choiste iad freastal ar chruinnithe. Seo a leanas príomh-fhreagrachtaí an Choiste:

- socruithe a dhéanamh, thar ceann an Bhoird, faoi luach saothair agus téarmaí is coinníollacha eile fostaíochta Stiúrthóir an Chrannchuir Náisiúnta;
- an struchtúr tuarastail is téarmaí oibre agus coinníollacha fostaíochta chomhaltaí sinsearacha eile foirne (mar a aithníonn Cathaoirleach an Bhoird iad) a shocrú;
- gníomhú thar ceann an Bhoird, agus na cinntí uile a ghlacadh faoi thuarastal agus faoi nithe gaolmhara, de réir mar a chinneann Cathaoirleach an Bhoird; agus
- meastóireacht a dhéanamh ar nithe eile a shíleann an Coiste a bheith ábhartha do na gnóthaí thuasluaite.

Is éard atá san fhaisnéisiú atá déanta sna ráitis airgeadais seo a bhaineann le luach saothair nó le heolas pinsin na Stiúrthóirí ná an faisnéisiú a éilítear faoi Actanna na gCuideachtaí 1963 go 2006 in Éirinn.

### An Coiste Iniúchóireachta

Le linn na bliana b'iad James Hyland, Niamh McGowan agus Micheál Ó Muircheartaigh comhaltaí an Choiste Iniúchóireachta. James Hyland a fheidhmíonn mar Chathaoirleach ar an gCoiste. Stiúrthóirí neamh-fheidhmiúcháin neamhspleácha iad comhaltaí uile an choiste.

Tá taithe leathan ag comhaltaí an choiste de bharr poist thábhachtacha sa saol gnó a bheith acu, ina measc comhpháirtí bainistíochta i gcleachtais cuntasaíochta.

Faoina théarmaí tagartha, déanann an Coiste Iniúchóireachta faireachán ar ionracas ráitis airgeadais an Chomhlachta. Tá an Coiste freagrach as faireachán a dhéanamh ar éifeachtúlacht phróiseas an iniúchta seachtairigh agus as moltaí a chur faoi bhráid an Bhoird maidir le ceapadh, athcheapadh agus luach saothair na n-iniúchóirí seachtairigh. Tá sé freagrach chomh maith as deimhin a dhéanamh de go gcoimeádtar gaol cuí idir an Comhlacht agus na hiniúchóirí seachtairigh agus athbhreithniú ar sheirbhísí is ar tháillí neamh-iniúchóireachta san áireamh. De bharr riachtanais rialacháin nó cinn dá shórt, is gá iniúchóirí seachtairigh an Chomhlachta a fhostú le haghaidh seirbhísí áirithe a bhaineann leis an iniúchadh agus cinn neamh-iniúchóireachta. Chun go gcaomhnófaí neamhspleáchas na n-iniúchóirí seachtairigh, rianaigh an Coiste Iniúchóireachta polasaithe faoi na seirbhísí, idir sheirbhísí a bhaineann leis an iniúchadh agus sheirbhísí neamh-iniúchóireachta, a fhéadfadh iniúchóirí seachtairigh an Chomhlachta a sholáthar agus faoin bpróiseas chun na seirbhísí seo a fhaomhadh. Measann an Bord, ach go háirithe, go bhfuil sé cuí gurb iad na hiniúchóirí seachtairigh a sholáthródh seirbhísí mar bhreathnadóir neamhspleách agus seirbhísí a bhaineann leis an gcrannchur. De réir na bpolasaithe seo, ní dhéantar obair chomhairleoireachta a thairiscint do na hiniúchóirí seachtairigh mura bhfuil buntáistí soiléire éifeachtachta agus breisluacha le fáil ag an gComhlacht agus oibiachtúlacht is neamhspleáchas na n-iniúchóirí seachtairigh a bheith slán i gcónaí. Déanann an Coiste faireachán ar leibhéal na dtáillí a ioctar leis na hiniúchóirí seachtairigh.

Athbhreithníonn an Coiste go bliantúil córais rialaithe inmheánaigh an Chomhlachta agus na modhanna chun faireachán agus meastóireacht a dhéanamh ar na rioscaí a gcaitheann an Comhlacht aghaidh a thabhairt orthu.

Buaileann an Coiste leis an mbainistíocht agus freisin go príobháideach leis na hiniúchóirí seachtairigh.



## Report of the Directors

In 2006, the Committee discharged its responsibilities by:

- reviewing the Company's draft financial statements prior to Board approval and meeting and reviewing with the external auditors their reports thereon;
- reviewing the appropriateness of the Company's accounting policies;
- reviewing the potential impact on the Company's financial statements of certain matters such as the revision of the Lotto matrix;
- reviewing the resources of internal audit, approving the internal audit plans, reviewing internal audit reports and dealing with control issues raised by the internal auditors;
- reviewing and approving the audit fee and reviewing non-audit fees payable to the Company's external auditors;
- reviewing the external auditors' plan for the audit of the Company's financial statements, confirmations of auditor independence and the proposed audit fee, and approving the terms of engagement for the audit;
- considering the adequacy of the Company's system of risk identification and assessment;
- reviewing an annual report on the Company's systems of internal control and its effectiveness, reporting to the Board on the results of the review and receiving regular updates on key risk areas of financial control;

### Nomination Committee

As all the authority regarding the appointment of Directors is vested with the Minister for Finance, the matter of constituting a nomination committee is not required to be considered by the Board.

### Compliance statement

The Board has developed its corporate governance policy so as to give effect to the Code of Practice for the Governance of State Bodies issued by the Department of Finance and to apply as appropriate the relevant main and supporting principles of good governance in the 2003 Combined Code issued by the Financial Reporting Council in the UK.

The Directors confirm that the Company has been in compliance with the relevant main and supporting principles of the 2003 Combined Code and Code of Best Practice for the Governance of State Bodies throughout the financial year under review, with the exception of a number of areas noted above where voluntary compliance with the 2003 Combined Code is not considered appropriate for the Company given the manner of appointment of Directors, the shareholding structure of the Company and existing Board procedures.

### Going Concern

During the year, the Minister for Finance granted an extension of the licence for the operation of the National Lottery to the Company. This licence now expires on 31 December, 2010. The Directors have reviewed the Company's business plan and other relevant information including the terms of the licence for the operation of the National Lottery. On that basis, the Directors have a reasonable expectation that the Company will continue in operational existence for the foreseeable future. For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements.

### Accounting Records

The Directors believe that they have complied with the requirements of Section 202 of the Companies Act, 1990 with regard to books of account by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function. The books of account of the Company are maintained at Lower Abbey Street, Dublin 1.

### 7. Auditors

KPMG, Chartered Accountants, continue in office in accordance with Section 160(2) of the Companies Act, 1963.

On behalf of the Board

**Donal Connell**  
Chairman

**Dermot Griffin**  
Director

20 February, 2007

## Tuarascáil na Stiúrthóirí

Le linn 2006 chomhlíon an Coiste a chuid dualgas trí:

- athbhreithniú a dhéanamh ar dhréacht-ráitis airgeadais an Chomhlachta sular dheimhneodh an Bord iad a fhaomhadh agus trí chasadh ar na hiniúcháirí seachtacha is a dtuairiscí ar na ráitis airgeadais a athbhreithniú i bpáirt leo;
- oiriúnacht pholasaithe cuntasáiochta an Chomhlachta a athbhreithniú;
- an éifeacht fhéideartha a fhéadfadh a bheith ag rudaí áirithe, dála leasú mhaitris an Lotto, ar ráitis airgeadais an Chomhlachta a athbhreithniú;
- acmhainní an iniúchta inmheánaigh a athbhreithniú, pleananna an iniúchta inmheánaigh a fhaomhadh, tuairiscí an iniúchta inmheánaigh a athbhreithniú agus déileáil le ceisteanna suntasacha a thógann na hiniúcháirí inmheánacha;
- táillí an iniúchta agus táillí neamh-iniúcháireachta, iniúchta le hiniúcháirí seachtacha an Chomhlachta, a athbhreithniú is a fhaomhadh;
- athbhreithniú a dhéanamh ar phleananna na n-iniúcháirí seachtacha chun iniúchadh a dhéanamh ar ráitis airgeadais an Chomhlachta, ar dheimhneacht ar neamhspleáchas na n-iniúcháirí is ar an táille a mholtar don iniúchadh agus ar théarmaí an chonartha don iniúchadh;
- leormhaitheas chórais an Chomhlachta chun rioscaí a aithint is a thomhas, a mheas;
- tuairisc bhliantúil ar chórais an Chomhlachta um rialú inmheánach agus a éifeachtúlacht a athbhreithniú, tuairisc a thabhairt don Bhord ar thorthaí an athbhreithnithe agus tuairiscí suas-chun-dáta a fháil go rialta ar eochair-ghnéithe riosca den rialú airgeadais;

### Coiste Ainmniúcháin

Toisc go bhfuil iomlán an údarais a bhaineann le ceapadh Stiúrthóirí dílisithe san Aire Airgeadais ní gá don Bhord déileáil le coiste ainmniúcháin a bhunú.

### Ráiteas Comhlíonta

D'fhorbair an Bord a pholasaí ar rialachas corparáide le go mbeadh feidhm ag an gCód Sárchleachtais um Rialachas Chomhlachtaí Stáit a d'eisigh an Roinn Airgeadais agus chun feidhm a thabhairt nuair is cuí do phríomhphrionsabail agus do phrionsabail thacaíochta ábhartha um dhea-rialachas atá sa Chomhchód a d'eisigh an Financial Reporting Council sa Ríocht Aontaithe i 2003.

Dearbhaíonn na Stiúrthóirí gur chomhlíon an Comhlacht príomhphrionsabail agus prionsabail thacaíochta ábhartha Chomhchód 2003 agus an Chóid Shárchleachtais um Rialachas Chomhlachtaí Stáit le linn na bliana airgeadais atá faoi chaibidil, ach amháin i gcás líon áirithe réimsí a luadh thuas nuair a measadh nach mbeadh comhlíonadh deonach Chomhchód 2003 cuí don Chomhlacht nuair chuirtear san áireamh an tslí ina cheaptar na Stiúrthóirí, struchtúr scairseilbhe an Chomhlachta agus gnáthaimh reatha an Bhoird.

### Gnóthas Leantach

Le linn na bliana dheonaigh an tAire Airgeadais don Chomhlacht síneadh leis an gceadúnas chun an Crannchur Náisiúnta a réachtáil. Tíocfaidh tréimhse an chadúnais chun deiridh anois ar 31 Nollaig, 2010. D'athbhreithnigh na Stiúrthóirí plean gnó an Chomhlachta agus eolas ábhartha eile, ina measc an ceadúnas a thug an tAire Airgeadais don Chomhlacht chun an Crannchur Náisiúnta a réachtáil. Ar an mbonn sin, tá ionchas réasúnta ag na Stiúrthóirí go leanfaidh an Comhlacht de bheith ag feidhmiú go ceann i bhfad. Ar an gcúis sin, leanann na Stiúrthóirí orthu de bheith ag ullmhú na ráiteas airgeadais ar an mbonn gur gnóthas leantach í an Comhlacht.

### Taifid Chuntasáiochta

Creideann na Stiúrthóirí gur chomhlíon siad riachtanais Alt 202 d'Acht na gCuideachtaí, 1990 i dtaca leis na leabhair chuntasáiochta trí fhoireann cuntasáiochta, leis an saineolas cuí, a fhostú agus trí dhóthain acmhainní a chur ar fáil do na feidhmeanna cuntasáiochta. Coinnítear leabhair chuntas an Chomhlachta ag Sráid na Mainistreach Íochtarach, Baile Átha Cliath 1.

### 7. Iniúcháirí

Leanann KPMG, Cuntasóirí Cairte, orthu in oifig faoi réir Alt 160(2) d'Acht na gCuideachtaí, 1963.

Thar ceann an Bhoird

**Donal Connell**  
Cathaoirleach

**Dermot Griffin**  
Stiúrthóir

20 Feabhra, 2007

## Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the Company's financial statements in accordance with Generally Accepted Accounting Practice in Ireland, comprising applicable Irish law and the accounting standards issued by the UK Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland.

The Company's financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Acts, 1963 to 2006. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are also responsible for preparing a Directors' Report that complies with the requirements of the Companies Acts 1963 to 2006.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

**Donal Connell**  
Chairman

**Dermot Griffin**  
Director

20 February, 2007

## Ráiteas faoi Fhreagrachtaí na Stiúrthóirí

Tá na Stiúrthóirí freagrach as an Tuarascáil Bhliantúil agus na ráitis airgeadais a ullmhú faoi réir dhlíthe agus rialacháin infheidhmthe.

Éilíonn dlí chuideachtaí go n-ullmhóid na Stiúrthóirí ráitis airgeadais do gach bliain airgeadais. Shocraigh na Stiúrthóirí faoin dlí sin ráitis airgeadais a réiteach a bheadh ag teacht leis na Cleachtais Chuntasaíochta, a bhfuil gnáth-ghlacadh leo in Éirinn, a chuimsíonn dlí infheidhmthe na hÉireann agus na caighdeáin chuntasaíochta a d'eisigh an UK Accounting Standards Board agus a d'fhoilsigh Institiúid na gCuntasóirí Cairte in Éirinn.

Éilítear faoin dlí go dtabharfadh ráitis airgeadais an Chomhlachta tuairisc fíor agus cothrom ar staid chúrsaí an Chomhlachta agus ar bhrabús nó ar chailleanas an Chomhlachta i rith na tréimhse sin.

Mar chuid de ullmhúcháin na ráiteas airgeadais seo, tá sé de dhualgas ar na Stiúrthóirí:

- polasaithe cuntasaíochta oiriúnacha a roghnú agus ansin iad a chur i gcrích go rialta;
- breithiúnais agus meastacháin atá réasúnta agus stuama a dhéanamh;
- ráitis airgeadais a ullmhú ar bhonn gnóthas leantach ach amháin nuair atá sé neamhoiriúnach a cheapadh go leanfaidh an Comhlacht ar aghaidh mar ghnó.

Tá na Stiúrthóirí freagrach as leabhair chuntais chuí a choinneáil ag léiriú go réasúnta beacht ag am ar bith staid airgeadais an Chomhlachta agus a thabharfadh seans dóibh a chinntiú go gcomhlíonann na ráitis airgeadais Achtanna na gCuideachtaí, 1963 go 2006. Tá siad freagrach i gcoitinne as pé céimeanna atá riachtanach a thógáil chun sócmhainní an Chomhlachta a chosaint agus chun aon chalaíocht nó aon mhírialtacht a thabhairt faoi deara agus a stopadh.

Tá na Stiúrthóirí freagrach chomh maith as Tuarascáil Stiúrthóirí a réiteach a chomhlíonann forálacha Achtanna na gCuideachtaí 1963 go 2006.

Tá na Stiúrthóirí freagrach chomh maith as cothabháil agus as sláine an eolais chorpóraide agus airgeadais a chuimsítear ar shuíomh gréasáin an Chomhlachta. Is féidir go bhfuil difríochtaí idir reachtaíocht Phoblacht na hÉireann maidir le réiteach agus le dáileadh ráiteas airgeadais agus an reachtaíocht i ndlísiní eile.

Thar ceann an Bhoird

**Donal Connell**  
Cathaoirleach

**Dermot Griffin**  
Stiúrthóir

20 Feabhra, 2007

# Report of the Independent Auditor

To the members of An Post National Lottery Company

We have audited the financial statements of An Post National Lottery Company for the year ended 31 December, 2006 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with Section 193 of the Companies Act, 1990. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

## Respective Responsibilities of Directors and Auditors

The Directors responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and the accounting standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland), are set out in the Statement of Directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland and are properly prepared in accordance with the Companies Acts, 1963 to 2006. We also report to you whether in our opinion: proper books of account have been kept by the Company; whether at the balance sheet date, there exists a financial situation requiring the convening of an extraordinary general meeting of the Company; and whether the information given in the Directors' Report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit, and whether the financial statements are in agreement with the books of account.

We also report to you if, in our opinion, information specified by law regarding Directors' remuneration and transactions with the Company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

We review, at the request of the Directors, whether (1) the voluntary statement on pages 25 to 30 reflects the Company's compliance with the nine provisions of the 2003 FRC Combined Code that the Listing Rules of the Irish Stock Exchange specifies for review by Auditors, and (2) the statement on the system of internal control on page 27 reflects the Company's compliance with the provision of the Code of Best Practice for the Governance of State Bodies that is specified for review by Auditors and we report if those statements do not. We are not required to consider whether the Board's statements on internal control cover all risks and controls, or form an opinion on the effectiveness of the Company's corporate governance procedures or its risk and control procedures.

We read the other information contained in the Annual Report, including the corporate governance statement, and consider whether it is consistent with the audited financial statements. This information comprises only the Directors' Report, the Chairman's Statement and the Review of Operations. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

# Tuarascáil an Iniúcháora Neamhspleách

Do bhaill Chomhlacht Chrannchur Náisiúnta an Phoist

Tá iniúchadh déanta againn ar ráitis airgeadais Chomhlacht Chrannchur Náisiúnta an Phoist don bhliain dar críoch 31 Nollaig, 2006 ar a n-áirítear an Cuntas Brabúis agus Caillteanais, an Clár Comhardaithe, an Ráiteas faoi Shreabhadh Airgid agus na nótaí gaolmhara. Ullmhaíodh na ráitis airgeadais seo faoi réir na bpolasaithe cuntasáiochta atá leagtha amach iontu.

Is do chomhaltaí an Chomhlachta amháin, mar chomhlacht, faoi réir Alt 193 d'Acht na gCuideachtaí, a dhéantar an tuarascáil seo. Chuamar i mbun na hoibre iniúchta ionas go bhféadfaimis a lua le comhaltaí an Chomhlachta na nithe sin a cheanglaítear orainn a lua leo i dtuarascáil iniúchóirí agus chun na críche sin amháin. Chomh fada agus is ceadmhach dúinn de réir dlí ní ghlacaimid ná ní ghabhaimid chugainn féin freagracht do dhuine ar bith seachas don Chomhlacht agus do chomhaltaí an Chomhlachta mar chomhlacht, as ár n-obair iniúchta, as an tuarascáil seo, ná as na tuairimí a dtángamar orthu.

## Freagrachtaí Stiúthóirí agus Iniúchóirí faoi seach

Tá freagrachtaí na Stiúthóirí as ullmhú na Tuarascála Bliantúla agus na ráiteas airgeadais de réir dhlíthe oiriúnacha agus na gcleachtas cuntasáiochta, a bhfuil gnáth-ghlacadh leo in Éirinn, ar a n-áirítear na caihdeáin chuntasáiochta atá eisithe ag an Auditing Practices Board agus atá foilsithe ag Institiúid na gCuntasóirí Cairte in Éirinn leagtha amach sa Ráiteas ar Fhreagrachtaí na Stiúthóirí.

Is é an dualgas s'againne na ráitis airgeadais a iniúchadh faoi réir na riachtanas dlíthiúla agus rialaitheacha gaolmhara agus na gCaighdeán Iniúchóireachta Idirnáisiúnta (Ríocht Aontaithe agus Éire).

Tugaimid tuairisc ar ár dtuairim daoibh faoi fhírinne agus faoi chothromas an léargais a thugann na ráitis airgeadais, faoi réir Chleachtais Chuntasáiochta, a bhfuil gnáth-ghlacadh leo in Éirinn agus cé acu ar ullmhaíodh nó nár ullmhaíodh i gceart iad de réir Achtanna na gCuideachtaí, 1963 go 2006. Tuairiscimid daoibh freisin ár dtuairim faoi na hábhair seo a leanas: cé acu ar choinnigh nó nár choinnigh an comhlacht leabhair chuntais cearta; an bhfuil nó nach bhfuil staid airgeadais ann ar dháta an chlár comhardaithe a fhéadfadh dualgas a leagan ar an gcomhlacht cruinniú ginearálta urhghnách a thionól; agus an bhfuil nó nach bhfuil an t-eolas a thugtar i dtuarascáil na stiúthóirí ag teacht leis na ráitis airgeadais. Thairis sin, deirimid cé acu an bhfuairamar nó nach bhfuairamar an t-eolas agus na minithe riachtanacha uile chun críche an iniúchta agus cé acu an bhfuil nó nach bhfuil na ráitis airgeadais ag teacht leis na leabhair chuntais.

Deirimid libh freisin más ár dtuairim é nach bhfuil eolas a éilítear de réir dlí maidir le hiocaíocht agus le bearta na stiúthóirí leis an gComhlacht tugtha.

Léimid tuarascáil na stiúthóirí agus cuirimid ar an meá na himpleachtaí dár dtuarascáil má mheasaimid cuma mhíchruinn a bheith ar aon ráiteas inti.

Athbhreithnímid, ar iarratas na Stiúthóirí, cé acu an sásaíonn nó nach sásaíonn (1) an ráiteas deonach ar leathanaigh 25 go 30 géilliúlacht an Chomhlachta i leith na naoi gcoinnioll de Chomhchód 2003 FRC a leagann Rialacha Liostála Stocmhalartán na hÉireann amach do Iniúchóirí agus iad i mbun athbhreithnithe agus (2) an ráiteas ar an gcóras rialaithe inmheánaigh ar leathanach 27 géilliúlacht an Chomhlachta i leith an Chód Scothchleachtais um Rialachas Chomhlachtaí Stáit atá luaite chun athbhreithnithe ag Iniúchóirí agus deirimid é mura sásaíonn na ráitis seo iad. Níl dualgas orainn a mheas cé acu an gclúdaíonn nó nach gclúdaíonn ráitis an Bhoird ar rialú inmheánach na rioscaí agus na rialaithe uile ná teacht ar thuairim faoi éifeacht ghnáthaimh an Chomhlachta um rialachas inmheánach ná a ghnáthaimh um rioscaí agus rialaithe.

Léimid an t-eolas eile atá sa Tuarascáil Bhliantúil, an ráiteas ar rialachas corparáideach san áireamh, agus féachaimid cé acu an bhfuil nó nach bhfuil sé ag teacht leis na ráitis airgeadais iniúchta. Ní áirítear anseo ach Tuarascáil na Stiúthóirí, Ráiteas an Chathaoirigh agus an tAthbhreithniú Oibriúcháin. Cuirimid san áireamh na himpleachtaí dár dtuairisc má thagaimid ar aon ráiteas, a bhfuil cuma mhíchruinn air, nó ar aon neamh-chomhsheasmhacht ábhartha leis na ráitis airgeadais. Ní bhaineann ár bhfreagrachtaí le haon eolas eile.



# Report of the Independent Auditor

To the members of An Post National Lottery Company

## Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## Opinion

In our opinion, the financial statements:

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of affairs of the Company as at 31 December, 2006 and of its surplus for the year then ended; and
- have been properly prepared in accordance with the Companies Acts, 1963 to 2006.

We have obtained all the information and explanations we considered necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the Company. The financial statements are in agreement with the books of account.

In our opinion, the information given in the Report of the Directors on pages 24 to 30 is consistent with the financial statements.

The net assets of the Company, as stated in the balance sheet on page 37, are more than half of the amount of its called up share capital and, in our opinion, on that basis there did not exist at 31 December, 2006 a financial situation which, under Section 40(1) of the Companies (Amendment) Act, 1983, would require the convening of an extraordinary general meeting of the Company.



Chartered Accountants  
Registered Auditor  
1 Stokes Place, St Stephen's Green, Dublin 2  
20 February, 2007

# Tuarascáil na nIniúcháirí Neamhspleácha

Do bhaill Chomhlacht Chrannchur Náisiúnta an Phoist

## Bunús Thuairim an Iniúchta

Rinneamar ár n-iniúchadh de réir na gCaighdeán Iniúcháireachta Idirnáisiúnta (Riocht Aontaithe agus Éire) arna eisiúint ag an Auditing Practices Board. Áirítear in iniúchadh scrúdú, ar bhonn trialach, ar fhianaise a bhaineann leis na suimeanna agus na faisnéisithe sna ráitis airgeadais. Áirítear ann freisin measúnú ar na meastacháin shuntasacha agus ar na breitheanna a thug na Stiúrthóirí agus na ráitis airgeadais á n-ullmhú acu, mar aon le measúnú ar oiriúnacht na bpolasaithe cuntasaíochta do chúinsí an Chomhlachta, agus ar cé acu an gcuirtear nó nach gcuirtear na polasaithe sin i bhfeidhm go comhsheasmhach agus an nochtar go leordhóthanach iad.

Rinneamar ár n-iniúchadh a phleanáil agus a chur i gcrích ionas go bhfaighfí an fhaisnéis agus na mínithe go léir a mheasamar ba ghá chun fianaise leordhóthanach a sholáthar dúinn le go mbeadh cinnteacht réasúnta ann go bhfuil na ráitis airgeadais saor ó mhíríteas ábhartha, cibé acu calaois nó mírialtacht nó earráid eile ba chúis leis. Le linn dúinn teacht ar ár dtuairim rinneamar meastóireacht freisin ar dhóthanacht iomlán na slite inar léiríodh an fhaisnéis sna ráitis airgeadais.

## An Tuairim

Is é ár dtuairim maidir leis na ráitis airgeadais:

- go dtugann siad léargas fíor agus cothrom ar ghnóthaí an Chomhlachta, faoi réir na gCleachtas Cuntasaíochta, a bhfuil gnáth-ghlacadh leo in Éirinn, mar a bhí ar an 31 Nollaig, 2006 agus ar a bharrachas don bhliain a chríochnaigh ansin; agus
- gur ullmhaíodh iad i gceart de réir Achtanna na gCuideachtaí, 1963 go 2006.

Fuaireamar an fhaisnéis agus na mínithe go léir a mheasamar ba ghá i gcomhair ár n-iniúchta. Is é ár dtuairim gur choimeád an Comhlacht leabhair chuntais chúil. Tá na ráitis airgeadais ag teacht leis na leabhair chuntais.

Is é ár dtuairim go bhfuil an fhaisnéis a thugtar i dTuarascáil na Stiúrthóirí ar leathanaigh 24 go 30 i gcomhréir leis na ráitis airgeadais.

Tá glansócmhainní an Chomhlachta, mar atá luaite sa chlár comhardaithe ar leathanach 37, comhionann le méid is mó ná leath a scairchaipitil ghlaioite agus is é ár dtuairim ar an mbonn sin, nach raibh ar an 31 Nollaig, 2006 staid airgeadais ann a bheadh ina cúis le cruinniú ginearálta urghnách den Chomhlacht a thionól faoi Alt 40(1) d'Acht na gCuideachtaí (Leasú), 1983.



Cuntasóirí Cairte  
Iniúcháirí Cláraithe  
1 Plás Stokes, Faiche Stiabhna, Baile Átha Cliath 2  
20 Feabhra, 2007

## Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

### 1. Basis of Accounting

The financial statements are prepared under the historical cost convention in accordance with applicable law and Irish Generally Accepted Accounting practice which includes compliance with the financial reporting standards of the UK Accounting Standards Board as promulgated by The Institute of Chartered Accountants in Ireland.

### 2. Turnover

Turnover from the sale of National Lottery tickets is recognised as the tickets are sold, with adjustments being made for scratchcard ticket stocks held by agents and for Lotto/Lotto Plus/Lotto 5-4-3-2-1/EuroMillions multi draw tickets / advance tickets. Phone Play turnover comprises a portfolio of games where sales are recognised on a draw by draw basis.

All turnover is derived from and originates in Ireland.

### 3. Prizes

The prize structure complies with the requirements of Section 4(2) of the National Lottery Act, 1986 whereby, taking one year with another, not less than 40% of the total monies received by the Company in respect of the sale of National Lottery tickets shall be distributed in prizes. Prizes are provided for as revenue is recognised on the basis of the games particular prize structure and any difference between the total amount provided and the amounts actually distributed is included in Creditors in the balance sheet.

### 4. Advertising and Promotional Expenditure

Advertising and promotional expenditure is written off in full in the year in which the costs are incurred.

### 5. Leased Assets - Operating

Operating lease rentals are charged to the Profit and Loss Account on a straight line basis over the lease term.

### 6. Taxation

The Company is exempt from Corporation Tax under Section 220 Taxes Consolidation Act, 1997.

### 7. Fixed Assets - Tangible Assets

Tangible assets are shown as having no book value, as the total cost thereof to the Company is reimbursed out of the National Lottery Fund.

Accordingly, no depreciation is provided.

Under Section 17(1) (a) of the National Lottery Act, 1986, the Company holds these assets in trust for the State.

### 8. Fixed Assets - Financial Assets

Financial fixed assets are shown at cost less provisions for impairments in value. Income from financial fixed assets, together with any related tax credit, is recognised in the profit and loss account in the year in which it is receivable.

### 9. Stocks

Stocks comprise scratchcard ticket stocks and are valued at cost. Cost includes import duties, V.A.T. and transport costs. All unusable and obsolete stock is written off.

## Polasaithe Cuntasaíochta

Cuireadh i bhfeidhm go rialta na polasaithe cuntasaíochta seo a leanas i gcás mireanna a measadh a bheith ábhartha i gcomhthéacs ráitis airgeadais an Chomhlachta.

### 1. Bunús na Cuntasaíochta

Ullmhaítear na ráitis airgeadais de réir dlíthe oiriúnacha na hÉireann agus na gCleachtas Cuntasaíochta, a bhfuil gnáth-ghlacadh leo in Éirinn, ar a áirítear cloí leis na caighdeáin a d'eisigh an UK Accounting Standards Board ar thuairisciú airgeadais agus a d'fhoilsigh Institiúid na gCuntasóirí Cairte in Éirinn.

### 2. Láimhdeachas

Aithnítear an láimhdeachas ó dhíolachán thicéid an Chranchnuir Náisiúnta de réir mar a dhíoltar na ticéid agus déantar coigeartuithe don stoc ticéad do na scríobcháirte a choinníonn na gníomhairí agus do thicéid ilchrannchuir Lotto/Lotto Plus/Lotto 5-4-3-2-1/EuroMillions. Is éard atá i láimhdeachas Phone Play ná punann chuichí agus aithnítear an díolachán ó chrannchur go crannchur.

As Éirinn a thagann agus is in Éirinn a fhaightear an láimhdeachas uile.

### 3. Duaiseanna

Tá an duais-struchtúr ag teacht le forálacha Alt 4(2) den Acht um Chranchnuir Náisiúnta 1986. Faoi na forálacha seo, agus bliain amháin á ghlacadh le bliain eile, dáilfear mar dhuaiseanna suim nach lú ná 40% den airgead iomlán a fuair an Comhlacht mar thoradh ar dhíolachán thicéid an Chranchnuir Náisiúnta. Déantar soláthar do na duaiseanna de réir mar a aithnítear an t-ioncam agus léirítear i measc na gCreidiúnaithe ar an gClár Comhardaithe cibé dífríocht a bhíonn idir an tsuim iomlán a sholáthraítear agus na suimeanna a dháiltear.

### 4. Caiteachas ar Fhógraíocht is ar Chur Chun Cinn

Díscríobhtar iomlán an chaiteachais ar fhógraíocht is ar chur chun cinn sa bhliain ina tharraingítear na costais.

### 5. Sócmhainní ar léasanna oibriúcháin

Gearrtar costas chíosanna ar léasanna oibriúcháin ar an gCuntas Brabúis agus Caillteanais ar bhonn mhéid chothrom thar tréimhse an léasa.

### 6. Cánachas

Tá díolúine ag an gComhlacht ó Cháin Chorparáide faoi Alt 220 den Acht Comhdhlúite Cánacha 1997.

### 7. Sócmhainní Seasta – Sócmhainní Inláimhsithe

Ní léirítear aon leabharluach a bheith ag sócmhainní inláimhsithe ón uair go n-aisíoctar a gcostas iomlán leis an gComhlacht as Ciste an Chranchnuir Náisiúnta.

Dá réir, ní thagann aon mhuirear dímhéasa i gceist.

I gcás na sócmhainní seo, feidhmíonn an Comhlacht mar iontaobhaí thar ceann an Stáit, faoi Alt 17(1) (a) d'Acht um Chranchnuir Náisiúnta 1986.

### 8. Sócmhainní Seasta – Sócmhainní Airgeadais

Léirítear sócmhainní seasta airgeadais ar luach a gcostas, lúide soláthar d'aon laghdú luacha. Tá aon ioncam a fhaightear ó shócmhainní seasta airgeadais, in éindí le haon chreidmheas cánach a bhaineann leis, le feiceáil sa chuntas brabúis agus caillteanais sa bhliain ina fhaightear é.

### 9. Stoic

Áirítear mar stoic aon stoc ticéad do scríobcháirte agus luacháiltear iad ar a gcostas. Áirítear sa chostas dleachtanna allmhairithe, CBL agus costais iompair. Díscríobhtar aon stoc atá as dáta nó nach féidir a úsáid.

## Accounting Policies

### 10. Foreign Currencies

Transactions denominated in foreign currencies are translated into Euro and recorded at the rate of exchange ruling at the date of the transaction. Monetary liabilities denominated in foreign currencies are translated into Euro at the rate of exchange ruling at the balance sheet date or at forward purchase contract rates where such contracts exist. All exchange differences are dealt with in the profit and loss account.

### 11. Pensions

All pension entitlements of staff are funded through multi-employer defined benefit superannuation schemes which are administered by the Company's parent, An Post. The Company is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis. Because of this, as permitted by FRS 17, the scheme is accounted for by the Company as if the scheme was a defined contribution scheme. Contributions are accrued and recognised in operating profit or loss in the period in which they are earned by the relevant staff.

## Polasaithe Cuntasaíochta

### 10. Airgeadra Coigríche

Aistrítear isteach in euro aon bheart, a chéad léiriódh in airgeadra coigríche, agus an ráta malairte, a bhí i bhfeidhm lá an bhirt, á úsáid. Aistrítear isteach in euro dliteanais airgeadaíochta, a chéad léiriódh in airgeadra coigríche, agus úsáid á bhaint as an ráta malairte a bhí i bhfeidhm ar dháta an Chláir Chomhardaithe nó ar rátaí chonarthaí réamhcheannacháin más ann do chonarthaí dá shórt. Déileáiltear le haon difríocht malairte sa chuntas brabúis agus caillteanais.

### 11. Pinsin

Maoinítear teidliochtaí pinsin uile na foirne trí scéimeanna aoisliúntais le sochar réamh-shainithe. An Post, máthair-chuideachta an Chomhlachta a riarann iad. Níl ar chumas an Chomhlachta a chuid de na sócmhainní agus de na dliteanais bhunúsacha a aithint ar bhonn comhsheasmhach nó réasúnta. Dá réir sin agus faoi mar a cheadaíonn FRS 17, coinníonn an Comhlacht cuntas ar an scéim amhail is dá mba scéim ranníocaíochta sainithe í. Fabhraítear na ranníocaíochtaí agus aithnítear iad sa bhrabús nó sa chailteanas oibríocháin le linn na tréimhe ina dtuileann an fhoireann ábhartha iad.



# Profit and Loss Account

For the year ended 31 December, 2006

# Cuntas Brabúis agus Caillteanais

Don bhliain dar críoch 31 Nollaig, 2006

		NOTES	NÓTAÍ	2006 €'000	2005 €'000
Turnover - continuing operations	Láimhdeachas - oibríochtaí leanúnacha	2		679,069	616,442
Cost of sales	Costas an díolacháin				
Prizes	Duaiseanna	3		362,112	324,833
Other costs of sales	Costais eile díolacháin	4		79,815	72,522
Gross surplus	Barrachas comhlán			237,141	219,087
Administrative costs	Costais riaracháin			16,772	12,916
Management fee	Táille bainistíochta	20		2,844	2,966
Surplus for the financial year - continuing operations	Barrachas don bhliain airgeadais - oibríochtaí leanúnacha	5		217,526	203,205
Attributable to National Lottery Fund	Inchurtha i leith Chiste an Chrannchuir Náisiúnta	11		217,526	203,205
<b>Surplus Retained</b>	<b>Barrachas Coimeádta</b>			<b>-</b>	<b>-</b>

The Company had no gains or losses in the financial year or the preceding financial year other than those dealt with in the Profit and Loss Account.

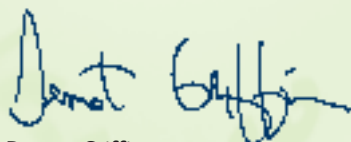
Ní raibh gnóthachan ná caillteanas ar bith ag an gComhlacht sa bhliain airgeadais ná sa bhliain airgeadais a chuaigh roimpi seachas iadsan ar déileáladh leo sa Chuntas Brabúis agus Caillteanais.

On behalf of the Board

Thar ceann an Bhoird



**Donal Connell**  
Chairman  
Cathaoirleach



**Dermot Griffin**  
Director  
Stiúrthóir

## Balance Sheet

At 31 December, 2006

## Clár Comhardaithe

Ar 31 Nollaig, 2006

		NOTES NÓTAÍ	2006 €'000	2005 €'000
<b>Fixed Assets</b>	<b>Sócmhainní Seasta</b>			
Tangible assets	Sócmhainní inláimhsithe	7	–	–
Financial assets	Sócmhainní airgeadais	8	7	7
<b>Current Assets</b>	<b>Sócmhainní Reatha</b>			
Stocks	Stoic	9	522	409
Debtors	Féichiúnaithe	10	33,303	31,779
Amount due from National Lottery Fund	Suim dlite ó Chiste an Chrannchuir Náisiúnta	11	42,964	17,559
Cash at bank and in hand	Airgead sa bhanc agus ar láimh		229	718
			<b>77,018</b>	<b>50,465</b>
<b>Creditors</b>	<b>Creidiúnaithe</b>			
Amounts falling due within one year	Suimeanna dlite taobh istigh de bhliain amháin	12	77,025	50,472
<b>Net Current Liabilities</b>	<b>Glandliteanais Reatha</b>		<b>7</b>	<b>7</b>
<b>Total Assets Less Current Liabilities</b>	<b>Iomlán na Sócmhainní Lúide Dliteanais Reatha</b>		<b>–</b>	<b>–</b>
<b>Shareholders' Funds</b>	<b>Cistí na Scairsealbhóirí</b>			
Called up share capital	Scairchaipiteal glaoite	13	–	–
Capital conversion reserve fund	Cúlchiste comhshó caipitil	13	–	–
<b>Shareholder's Funds</b>	<b>Cistí na Scairsealbhóirí</b>	<b>15</b>	<b>–</b>	<b>–</b>

On behalf of the Board



Donal Connell  
Chairman  
Cathaoirleach

Thar ceann an Bhoird



Dermot Griffin  
Director  
Stiúrthóir

# Cash Flow Statement

For the year ended 31 December, 2006

# Ráiteas faoi Shreabhadh Airgid

Don bhliain dar críoch 31 Nollaig, 2006

CASH FLOW STATEMENT	RÁITEAS FAOI SHREABHADH AIRGID	NOTES NÓTAÍ	2006 €'000	2005 €'000
Net Cash (Outflow) / Inflow from Operating Activities	Insreabhadh (Eis-shreabhadh) Glan Airgid ó Ghníomhaíochtaí Oibríochta		(489)	1,325
Capital Expenditure and Financial Investment	Caiteachas Caipitil agus Infheistíocht Airgeadais	14	–	–
(Decrease) / Increase in Cash	(Laghdú) / Méadú ar Airgead		(489)	1,325

RECONCILIATION OF SURPLUS FOR THE YEAR TO NET CASH (OUTFLOW) / INFLOW FROM OPERATING ACTIVITIES	RÉITEACH AN BHARRACHAIS DON BHLIAIN LE (HEIS-SREABHADH) / INSREABHADH GLAN AIRGID		2006 €'000	2005 €'000
Surplus for year	Barrachas don Bhliain		217,526	203,205
Payments to National Lottery Fund	Íocaíochtaí le Ciste an Chranncuir Náisiúnta		(242,931)	(207,990)
(Increase) / decrease in stocks	(Méadú) / laghdú ar stoic		(113)	264
Increase in debtors	Méadú ar fhéichiúnaithe		(1,524)	(6,865)
Increase in creditors	Méadú ar chreidiúnaithe		26,553	12,711
Net cash (outflow) / inflow from operating activities	(Eis-sreabhadh) / insreabhadh glan airgid ó ghníomhaíochtaí oibríochta		(489)	1,325

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/ DEBT	RÉITEACH AR SHREABHADH GLAN AIRGID LE GLUAISEACHT SNA CISTÍ/FIACHA GLANA		2006 €'000	2005 €'000
(Decrease) / increase in cash in the year	(Laghdú) / méadú ar airgead sa bhliain		(489)	1,325
Net funds / (debt) at beginning of year	Glan-chistí / (glan-fhiacha) ag tús na bliana		718	(607)
Net funds at end of year	Glan-chistí ag deireadh na bliana		229	718

Net funds comprises only cash at bank and in hand.

Ní áirítear mar ghlan-chistí ach amháin airgead sa bhanc agus ar láimh.



# Notes to the Financial Statements

For the year ended 31 December, 2006

## 1. The Company An Comhlacht

The Company is a limited liability company, incorporated under the Companies Acts, 1963 to 2006. Under the Postal and Telecommunications Services Act, 1983, the Company is entitled to omit the word "Limited" from its name.

Cuideachta faoi dhliteanas teoranta é an Comhlacht agus tá sé corpraithe faoi Achtanna na gCuideachtaí 1963 go 2006. Faoi Acht Seirbhísí Poist agus Teileachumarsáide 1983 is ceadmhach don Chomhlacht an focal "Teoranta" a fhágail ar lár as a ainm.

## 2. Turnover - Continuing Operations Láimhdeachas - Oibríochtaí Leanúnacha

		2006 €'000	2005 €'000
Lotto Games	Cluichí Lotto		
Lotto	Lotto	255,078	262,578
Lotto Plus	Lotto Plus	95,651	103,572
Lotto 5-4-3-2-1	Lotto 5-4-3-2-1	11,161	11,017
		361,890	377,167
EuroMillions	EuroMillions	145,325	59,144
Scratchcards (including PhonePlay)	Scríobcháirte (PhonePlay san áireamh)	157,382	161,477
TellyBingo	TellyBingo	14,472	18,654
		679,069	616,442

All turnover originated in Ireland. B'as Éirinn a tháinig an láimhdeachas ar fad.

## 3. Prizes Duaiseanna

		2006 €'000	2005 €'000
Lotto Games	Cluichí Lotto		
Lotto	Lotto	129,600	131,289
Lotto Plus	Lotto Plus	44,679	48,197
Lotto 5-4-3-2-1	Lotto 5-4-3-2-1	7,347	7,237
		181,626	186,723
EuroMillions	EuroMillions	72,662	29,572
Scratchcards (including PhonePlay)	Scríobcháirte (PhonePlay san áireamh)	97,636	96,249
TellyBingo	TellyBingo	10,188	12,289
		362,112	324,833

## 4. Other costs of sales Costais eile díolacháin

		2006 €'000	2005 €'000
Agents' commission and bonuses	Coimisiún agus bónaís ghníomhairí	42,126	38,253
Printing, marketing and distribution costs	Costais priontála, margaíochta agus dáileacháin	18,194	15,426
On-line facilities and services costs	Costais áiseanna agus seirbhísí ar líne	19,495	18,843
		79,815	72,522

# Nótaí ar na Ráitis Airgid

Don bhliain dar críoch 31 Nollaig, 2006

## 5. Statutory and other information Eolas reachtúil agus eile

		2006 €'000	2005 €'000
Directors' emoluments	Luach saothair na Stiúrthóirí		
Fees	Táillí	64	50
Other emoluments	Luach saothair eile	252	235
Payments on retirement	Íocaíochtaí scoir	562	–
Pension contributions	Ranníocaíochtaí Pinsin	26	24
Auditors' remuneration	Luach saothair na nIníuchóirí		
Audit	Iníuchadh	52	51
Audit related services	Seirbhísí a bhain leis an Iníuchadh	473	403
Non - audit	Seirbhísí nár bhain leis an iníuchadh	45	9
Operating lease rentals:	Cíos ar léasanna oibríochta:		
Buildings	Foirgnimh	901	901
Telephone Lines	Línte Teileafóin	3,700	3,850
		2006 €'000	2005 €'000

The remuneration package of Mr Ray Bates, who retired as National Lottery Director on 9 June, 2006, which is included in the amounts shown above as Directors' emoluments, was as follows:

Ba mar seo a leanas a bhí pacáiste luach saothair Ray Bates, a d'éirigh as bheith ina Stiúrthóir ar an gCrannchur Náisiúnta ar 9 Meitheamh 2006 - pacáiste a áiríodh sna suimeanna a taispeánadh thuas mar luach saothair na Stiúrthóirí:

Directors' fee	Táille stiúrthóra	6	10
Basic salary	Buntuarastal	82	170
Non-pensionable performance related bonus	Bónas neamh-inphinsin i leith feidhmíochta	25	44
Taxable benefits, including the use of a company car	Sochair incháinite, úsáid ghluasteán comhlachta san áireamh	12	21
Pension contributions	Ranníocaíochtaí Pinsin	12	24
		137	269
Payments on retirement	Íocaíochtaí scoir	562	–
		699	269

The amounts above with respect to payments on retirement represent payments made under the normal terms of the An Post early retirement scheme, including €490,000 of additional pension contributions made to the An Post superannuation schemes.

Mr Bates entered into a three year consultancy agreement with the Company, commencing on 10 June, 2006, on agreed commercial terms. These include payment of €30,000 per annum for the provision of services.

Léiríonn na suimeanna atá luaite le híocaíochtaí scoir íocaíochtaí scoir a rinneadh faoi ghnáth-thearmaí scéim luathscoir an Phoist, ar a n-áirítear €490,000 de ranníocaíochtaí breise pinsin a rinneadh le scéimeanna pinsin An Phoist.

Thosaigh an tUas. Bates ar shocrú comhairleoireachta trí bliana leis an gComhlacht, ag tosú ar 10 Meitheamh, 2006. Faoi théarmaí tráchtála a rinneadh an socrú ar a n-áirítear íocaíocht de €30,000 p.a. i leith sholáthar seirbhísí.

# Notes to the Financial Statements

For the year ended 31 December, 2006

## 5. Statutory and other information (continued) Eolas reachtúil agus eile (ar lean)

		2006 €'000	2005 €'000
The remuneration package of Mr Dermot Griffin, who was appointed as National Lottery Director on 10 June, 2006, which is included in the amounts shown above as Directors' emoluments, was as follows:			
Ba mar seo a leanas a bhí pacáiste luach saothair Dermot Griffin, a ceapadh ina Stiúrthóir ar an gCrannchur Náisiúnta ar 10 Meitheamh, 2006 - pacáiste a áiríodh sna suimeanna a taispeánadh thuas mar luach saothair na Stiúrthóirí:			
Directors' fee	Táille stiúrthóra	8	–
Basic salary	Buntuarastail	98	–
Non-pensionable performance related bonus	Bónas neamh-inphinsin i leith feidhmíochta	24	–
Taxable benefits	Sochair incháinithe	11	–
		141	–
Pension contributions	Rannaíochtaí Pinsin	14	–
		155	–

## 6. Staff numbers and costs Lion agus costais foirne

The average number of permanent staff working in the Company was as follows:

Seo a leanas meán-líon na buanfhoirne a bhí ag obair leis an gComhlacht:

		2006	2005
Marketing and distribution	Margaíocht agus dáileachán	33	37
Administration	Riarachán	45	44
		78	81

The aggregate payroll costs were as follows:

Seo a leanas costas comhiomlán an phárolla:

		2006 €'000	2005 €'000
Wages and salaries	Pá agus tuarastail	4,850	4,981
Social welfare costs	Costais leasa sóisialta	127	147
Other pension costs	Costais eile pinsin	683	635
		5,660	5,763

Costs in respect of the staff working in the Company are charged from An Post at cost.

In addition, the Company recognised costs of €2,850,000 with respect to organisational restructuring costs during the year.

Payroll costs for the year ended 31 December, 2005 included €325,000 in respect of a pay award which related to prior years.

Gearrtar costas na foirne atá ag obair leis an gComhlacht ó An Post ar costas.

De bhreis air sin, d'aithin an Comhlacht costais de €2,850,000 a bhain le costais athstruchtúraithe eagraíochta le linn na bliana.

Tá san áireamh i gcostais phárolla na bliana dar críoch 31 Nollaig, 2005, €325,000 i leith dámhachtain tuarastail a bhaineann le blianta a chuaigh roimhe.

# Nótaí ar na Ráitis Airgid

Don bhliain dar críoch 31 Nollaig, 2006

## 7. Tangible Fixed Assets Sócmhainní Seasta Inláimhsithe

	Leasehold Improvements Feabhsuithe Léasacha €'000	Computer Equipment Trealamh Ríomhair-eachta €'000	Draw and Other Equipment Trealamh Crannchuir agus Eile €'000	Total Iomlán €'000
COST COSTAS				
At 31 December, 2005 Ar 31 Nollaig, 2005	2,947	1,392	8,764	13,103
Additions during year Breiseana le linn na bliana	33	69	1,779	1,881
Disposals during year Diúscairteanna le linn na bliana	(11)	(107)	(174)	(292)
At 31 December, 2006 Ar 31 Nollaig, 2006	2,969	1,354	10,369	14,692

## REIMBURSEMENT FROM NATIONAL LOTTERY FUND CÚITEAMH Ó CHISTE AN CHRANNCHUIR NÁISIÚNTA

At 31 December, 2005 Ar 31 Nollaig, 2005	2,947	1,392	8,764	13,103
Additions during year Breiseana le linn na bliana	33	69	1,779	1,881
Disposals during year Diúscairteanna le linn na bliana	(11)	(107)	(174)	(292)
At 31 December, 2006 Ar 31 Nollaig, 2006	2,969	1,354	10,369	14,692

## NET BOOK VALUE LEABHARLUACH GLAN

At 31 December, 2005 and 2006 Ar 31 Nollaig, 2005 and 2006	–	–	–	–
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## 8. Fixed Assets - Financial Assets Sócmhainní Seasta - Sócmhainní Airgeadais

		€'000
COST COSTAS		
At beginning and end of year	Ag tús agus ag deireadh na bliana	7

On 8 September, 2004 and to facilitate the introduction of the EuroMillions game in Ireland, An Post National Lottery Company purchased 7,400 €1 shares in the EuroMillions operating company, Services aux Lotteries en Europe SCRL for €7,400.

In the opinion of the Directors, the recoverable amount of financial fixed assets is not less than their net book value.

Chun tabhairt isteach an chluiche EuroMillions go hÉirinn a éascú cheannaigh Crannchur Náisiúnta an Phoist 7,400 scair €1 i gcuideachta oibríoch EuroMillions, Services aux Lotteries en Europe SCRL ar €7,400 ar 8 Meán Fómhair, 2004.

Tá na Stiúrthóirí den tuairim nach lú luach inghnóthaithe na sócmhainní seasta airgid ná a leabharluach glan.

## 9. Stocks Stoic

Stocks comprise scratchcard ticket stocks held for resale. The replacement cost of stocks is not considered to be materially different to its carrying value.

Áirítear mar stoic na ticéid do thob-chluichí atá á gcoinneáil le hathdhíol. Meastar nach bhfuil aon difríocht ábhartha idir luach athsholáthair stoic agus a luach reatha.

# Notes to the Financial Statements

For the year ended 31 December, 2006

## 10. Debtors Féichiúnaithe

		2006 €'000	2005 €'000
Trade debtors	Féichiúnaithe trádála	17,262	23,872
Prepayments and accrued income	Réamhiocaíochtaí agus ioncam fabhráithe	1,396	1,220
Cash held in trust	Airgead faoi iontaobhas	14,645	6,687
		33,303	31,779

As required by the EuroMillions Agreement entered into on 8 September, 2004 and in order to facilitate the introduction of the EuroMillions game in Ireland and the on-going payment of prizes, An Post National Lottery Company has placed cash on deposit with approved financial institutions. The money is held in trust by The Law Debenture Trust Corporation and is not freely available to the Company for use in the operation of its business. This amount includes a deposit to provide security to other EuroMillions participants for the Company's prize payment obligations. This amount (or the relevant part) will be repayable to the Company in accordance with the EuroMillions agreement, in a period which is greater than one year.

All other debtors fall due within one year.

Mar a éilítear faoi chomhaontú EuroMillions, ar glacadh leis ar 8 Meán Fómhair, 2004, agus chun tabhairt isteach chluiche EuroMillions go hÉirinn maille le hioc leanúnach duaiseanna a éascú, chuir Crannchur Náisiúnta an Phoist airgead i dtaise in institiúidí údaráithe airgeadais. Tá an t-airgead seo faoi iontaobhas ag an Law Debenture Trust Corporation agus níl teacht go neamhsranta ag an gComhlacht air le húsáid in oibríú a ghnó. Áirítear sa tsuim seo airgead i dtaise mar urrús do rannpháirtithe eile EuroMillions i leith oibleagáidí iocaíocht duaise an Chomhlachta. Tá an tsuim seo (nó an chuid ábhartha di) inaisíochta leis an gComhlacht, faoi réir téarmaí chomhaontú EuroMillions, taobh istigh de thréimhse ar mó í ná bliain.

Tá na féichiúnaithe eile go léir le hioc taobh istigh de bhliain amháin.

## 11. Amount Due from National Lottery Fund Suim dlite ó Chiste an Chrannchuir Náisiúnta

		2006 €'000	2005 €'000
Opening balance	Comhardú tosaigh	17,559	12,774
Cost of fixed assets (Note 7)	Costas na sócmhainní seasta (Nóta 7)	1,881	390
Net transfers to National Lottery Fund	Glan-aistrithe chuig Ciste an Chrannchuir Náisiúnta	241,050	207,600
Surplus for year attributable to fund	Barrachas na bliana atá inchurtha leis an gciste	(217,526)	(203,205)
Closing balance	Comhardú deiridh	42,964	17,559

The National Lottery Fund was established by the Minister for Finance in the Central Bank of Ireland under Section 8 of the National Lottery Act, 1986. The Fund is managed and controlled by the Minister and the surplus generated by the Company each year is attributed in its entirety to this Fund.

Cash received by the Company is transferred into the Fund on a regular basis in accordance with Section 8 of the National Lottery Act, 1986 and the money necessary to meet prize payments, operating costs and capital expenditure (net of proceeds) is transferred as required from the Fund to the Company. The amount due from the Fund to the Company comprises the net aggregate balance of all such transactions.

Bhunaigh an tAire Airgeadais Ciste an Chrannchuir Náisiúnta i mBanc Ceannais na hÉireann faoi Alt 8 den Acht um Chrannchur Náisiúnta, 1986. Is é an tAire a bhainistíonn an Ciste agus tá iomlán an bharrachais a shaothraíonn an Comhlacht inchurtha leis an gCiste seo.

Aistrítear airgead, a fhaigheann an Comhlacht, isteach sa Chiste ar bhonn rialta mar atá leagtha amach in Alt 8 den Acht um Chrannchur Náisiúnta 1986. Aistrítear an t-airgead, a bhfuil gá leis chun na duaiseanna, costais oibríochta agus caitheachas caipitil (glan ó fháltais) a chlúdach ón gCiste go dtí an Comhlacht. Cuimsíonn an méid ata dlite ón gCiste don Chomhlacht comhardú glan na mbearta seo uile.

# Nótaí ar na Ráitis Airgid

Don bhliain dar críoch 31 Nollaig, 2006

## 12. Creditors (amounts falling due within one year) Creidiúnaithe (suimeanna atá dlite taobh istigh de bhliain amháin)

		2006 €'000	2005 €'000
Trade creditors	Creidiúnaithe trádála	5,369	4,681
Other creditors - value added tax	Creidiúnaithe eile - cáin bhreisluacha	129	104
Due to An Post	Dlite do An Post	819	512
Accrual for ticket stocks held by agents	Fabhrú do stoc ticéad coinnithe ag gníomhairí	4,418	4,418
Other accruals and deferred income	Fabhrúithe eile agus ioncam iarchurtha	6,282	6,457
Prize liability	Dliteanas ar dhuaiseanna	60,008	34,300
		77,025	50,472

## 13. Called Up Share Capital Scairchaipiteal Glaoite

		2006 €'000	2005 €'000
Authorised, Allotted, Called Up and Fully Paid:	Údaraithe, Leithroinnte, Glaoite agus Íoctha go hIomlán:		
100 Ordinary shares of €1.25 each	100 Gnáthscair ar €1.25 an ceann	125	125

On 5 June, 2003, the ordinary share capital of the Company was renominialised from €1.269738 per share to €1.25 per share.

A capital conversion reserve fund of €2 was created to account for the difference arising from this change.

Ar 5 Meitheamh, 2003, athluacháladh gnáth-scairchaipiteal an Chomhlachta ó €1.269738 an scair go dtí €1.25 an scair.

Cruthaíodh cúlchiste chomhshó airgeadra de €2 chun an difríocht a eascraíonn as an athrú seo a léiriú.

## 14. Gross Cash Flows Sreabhadh Comhlán Airgid

		2006 €'000	2005 €'000
Capital expenditure:	Caiteachas Caipitil:		
Payments to acquire tangible fixed assets	Íocaíochtaí le glacadh sócmhainní seasta inláimhsithe	(1,881)	(390)
Less: reimbursement from National Lottery Fund	Lúide: aisíocaíocht ó Chiste an Chrannchuir Náisiúnta	1,881	390
Net cash flow from capital expenditure	Glansreabhadh airgid ó chaiteachas caipitil	–	–

## 15. Reconciliation of Shareholders' Funds Réiteach ar Chistí Scairsealbhóirí

		2006 €'000	2005 €'000
Shareholders' funds at beginning of year	Cistí scairsealbhóirí ag tús na bliana	–	–
Surplus for the financial year	Barrachas don bhliain airgeadais	217,526	203,205
Attributable to National Lottery Fund	Inchurtha le Ciste an Chrannchuir Náisiúnta	(217,526)	(203,205)
Shareholders' funds at end of year	Cistí scairsealbhóirí ag deireadh na bliana	–	–



# Notes to the Financial Statements

For the year ended 31 December, 2006

## 16. Pensions

An Post operates multi-employer defined benefit schemes and the Company is unable to identify its share of the underlying assets and liabilities in the schemes on a consistent and reasonable basis. Because of this, as permitted by FRS17, the schemes have been accounted for by the Company as if the schemes were a defined contribution scheme.

The valuations of the An Post defined benefit schemes used for the purposes of the FRS17 disclosures has been based on the previous actuarial valuations carried out at 1 January, 2005, updated by the independent actuaries in accordance with FRS17 to assess the schemes' liabilities at 31 December, 2005. The schemes' assets were stated at their market value at that date. The net pension liabilities of the pension schemes at 31 December, 2005, the most recently available information, amounted to €294 million (31 December, 2004: €286 million).

All pension entitlements of staff are met by payments to the An Post externally funded defined benefit superannuation schemes which are vested in independent trustees, appointed by An Post, for the sole benefit of employees and their dependants.

The pension costs of the An Post schemes are assessed in accordance with the advice of an independent professionally qualified actuary. The most recent actuarial valuations were carried out at 1 January, 2005, using the attained age method and disclosed that the assets of the schemes at that date were sufficient to cover more than 99.9% of the accrued liabilities after allowing for expected future increases in pensionable remuneration.

The principal actuarial assumption was that, over the long term, the annual rate of return on investments would be 2% higher than the annual increase in pensionable remuneration.

Contributions to the schemes were at a rate of 14.4% (2005:14.4%) of pensionable remuneration.

The actuarial valuations are not available for public inspection but the results of the valuations have been advised to members of the schemes.

The total pension cost in respect of the Company for the year ended 31 December, 2006 was €1,173,000 (2005: €635,000), which includes, in respect of 2006, costs associated with organisational restructuring of the Company.

An amount of €4,000 is included in creditors (2005: €61,000) representing contributions payable to An Post with respect to the pension schemes at 31 December, 2006.

# Nótaí ar na Ráitis Airgid

Don bhliain dar críoch 31 Nollaig, 2006

## 16. Pínsin

Riarann An Post scéimeanna il-fhostóra le sochar réamh-shainithe agus níl ar chumas an Chomhlachta a chuid de na sócmhainní agus de na dliteanais bhunúsacha a aithint ar bhonn comhsheasmhach nó réasúnta. Dá réir sin agus faoi mar a cheadaíonn FRS 17, coinneoidh an Comhlacht cuntas ar na scéimeanna amhail is dá mba scéimeanna ranníocaíochta sainithe iad nuair a bheidh glactha go hiomlán leis ag gcaighdeán cuntasaióchta.

Tá luachálacha scéimeanna sochar sainithe An Post, chun críche faisnéisithe FRS 17, bunaithe ar luachálacha achtúireacha a rinneadh roimhe sin ar 1 Eanáir, 2005 agus a thug na hachtúiríthe neamhspleácha suas chun dáta faoi réir FRS 17 chun measúnú a dhéanamh ar dhliteanas na scéime ar 31 Nollaig, 2005. Luadh sócmhainní na scéime ar a luach margaidh ar an dáta sin. B'é €294 milliún glansócmhainní na scéimeanna pínsin ar 31 Nollaig, 2005, an dáta deiridh ar a raibh eolas le fáil. (€286 milliún ar 31 Nollaig, 2004).

Freastalaítear ar theidlióchtaí pínsin uile na foirne trí íocaíochtaí le scéimeanna aoisliúntais An Phoist, atá maoinithe go seachtarach agus a bhfuil sochar sainithe ag dul leo. Tá siad seo dílsithe in iontaobhaithe seachtaracha, a d'ainmnigh An Post, chun leasa na bhfostaithe agus a gcleithiúnaigh amháin.

Measúnaítear costais scéimeanna pínsin An Post faoi réir chomhairle ó achtúire neamhspleách atá oile go gairmiúil. Rinneadh an luacháil achtúireach dheiridh ar 1 Eanáir, 2005 agus modh na haoise sroichte á úsáid. Fuarthas amach gur leor na sócmhainní ar an dáta sin chun 99.9% agus breis den dliteanas fabhráithe a chlúdach tar éis soláthar a dhéanamh do arduithe measta i luach saothair inphinsin.

B'é an príomh-bhonn tuisceana achtúireach ná go mbeadh na torthaí a bhainfeadh infheistíocht amach 2% níos airde ná an méadú bliantúil ar luach saothair inphinsin.

Bhí na ranníocaíochtaí do na scéimeanna bunaithe ar ráta de 14.4% (2005: 14.4%) den luach saothair inphinsin.

Níl fáil ar na luachálacha achtúireacha le go ndéanfaí scrúdú orthu go poiblí ach tá torthaí na luachálacha curtha in iúl do chomhaltaí na scéimeanna.

Bé €1,173,000 costas iomlán na bpinsean sa bhliain dar críoch 31 Nollaig, 2006 was (2005: €635,000), ar a n-áirítear, i gcás 2006, costais a bhain le hathstruchtúrú eagraíochta an Chomhlachta.

Tá suim de €4,000 (2005: €61,000) san áireamh sna creidiúnaithe i leith ranníocaíochtaí atá iniúchta leis na scéimeanna pínsin ar 31 Nollaig, 2006. Ranníocaíochtaí atá iniúchta le An Post iad seo.

# Notes to the Financial Statements

For the year ended 31 December, 2006

## 17. Contingencies

### Teagmhais

There were no material contingent liabilities at the balance sheet date.

Ní raibh dliteanas ábhartha teagmhasach ann ar dháta an chláir chomhardaithe.

## 18. Commitments

### Ceangaltais

#### OPERATING LEASES

The Company has commitments, payable in the coming year in respect of leases as follows:

#### LÉASANNA OIBRIÚCHÁIN

Tá ceangaltais ar an gComhlacht, ata iníoctha sa bhliain atá romhainn amach, i leith na léasanna seo a leanas:

		€'000	
Land & buildings Expiring after five years	Talamh & foirgnimh iad éagtha tar éis cúig cúig bliana	901	
Telecommunications Expiring after one and before five years	Teileachumarsáid iad éagtha taobh istigh de thréimhse cúig bliana ach i ndiaidh bliana amháin	2,600	
		2006 €'000	2005 €'000
CAPITAL COMMITMENTS	CEANGALTAIS CHAIPIITIL		
Approved and contracted for	Faofa agus Tabhaithe	–	–

## 19. Group Membership and Controlling Party

### Grúp-chomhaltas agus Páirtí Urlaimhis

The Company is a subsidiary undertaking of An Post which holds 80 % of the issued share capital.

The sole activity of the Company is the operation of the National Lottery under Licence from the Minister for Finance in accordance with the provisions of the National Lottery Act, 1986. The Licence expires on 31 December, 2010.

The surplus generated each year is entirely attributable to the National Lottery Fund and, accordingly, the results of the Company are not consolidated within the An Post Group.

The Company was managed and controlled throughout the year by the Directors on behalf of An Post and the ultimate controlling party, the Minister for Finance.

Foghnóthas le An Post, a bhfuil 80 % den scairchaipiteal eisithe aige, é an Comhlacht.

Is é oibriú an Chrannchuir Náisiúnta le Ceadúnas ón Aire Airgeadais aon-ghníomhaíocht an Chomhlachta faoi réir fhorálacha an Achta um Chrannchur Náisiúnta, 1986. Éagfaidh an Ceadúnas ar 31 Nollaig, 2010.

Tá iomlán an bharrachais a gnóthaítear gach bliain inchurtha le Ciste an Chrannchuir Náisiúnta agus, dá réir, níl torthaí an Chomhlachta comhdhlúite taobh istigh de ghrúpa An Phoist.

Rialaigh agus bhainistigh na Stiúrthóirí an Comhlacht le linn na bliana thar ceann An Phoist agus an bhunpháirtí rialaithe, an tAire Airgeadais.

# Nótaí ar na Ráitis Airgid

Don bhliain dar críoch 31 Nollaig, 2006

## 20. Related Party Disclosures

### Faisnéisithe Pháirtí Ghaolmhaire

In addition to the secondment of staff working in the Company, undertakings in the An Post Group provide the Company with management and delivery services. Such services are carried out on an arm's length basis or, where appropriate, in accordance with the terms of the Licence granted by the Minister for Finance to the Company to operate the National Lottery. An Post also provides agency services to the Company whereby An Post makes sales and pays prizes on behalf of the Company in accordance with the standard terms and conditions and remuneration structure common to all of the Company's agents.

Excluding staff costs (Note 6) and including the Management Fee, expenses for the year in respect of services provided by An Post Group undertakings to the Company amounted to €5,363,000 (2005: €5,331,000).

Amounts due to An Post are set out in Note 12 of the accounts.

The Company's parent, An Post, has agreed to guarantee the performance by the Company of its obligations under the Licence for the holding of the National Lottery granted by the Minister for Finance. An Post has provided the guarantee, the maximum liability of which amounts to €10 million, for the duration of the Licence.

De bhreis ar fhoireann a ligeann ar shealscarúint chun dul ag obair leis an gComhlacht, soláthraíonn gnóthais i nGrúpa An Phoist seirbhísí bainistíochta agus seachadta don Chomhlacht. Soláthraítear na seirbhísí seo ar bhonn fad láimhe nó, nuair is cuí, faoi réir théarmaí an Cheadúnais a thug an tAire Airgeadais don Chomhlacht chun an Crannchur Náisiúnta a reáchtáil. De bhreis air sin soláthraíonn An Post seirbhísí gníomhaireachta. Baineann na seirbhísí seo le díolachán agus le híoc duaiseanna faoi réir na dtéarmaí agus na gcoinníollacha caighdeánacha agus ar bhonn an struchtúir luach saothair comónta atá ag gníomhairí uile an Chomhlachta.

Gan costais foirne a thabhairt san áireamh (Nóta 6) ach an Táille Bainistíochta a bheith san áireamh, bhí costas €5,363,000 (2005: €5,331,000) ar na seirbhísí a sholáthraigh gnóthais Ghrúpa An Phoist don Chomhlacht le linn na bliana.

Tá na suimeanna atá dlite do An Post leagtha amach i Nóta 12 ar na cuntais.

Tá máthair-chuideachta an Chomhlachta, An Post, tar éis ráthaíocht a dhéanamh ar fheidhmiú an Chomhlachta maidir lena chuid dualgas faoi théarmaí an Cheadúnais, a thug an tAire Airgeadais, chun an Crannchur Náisiúnta a reáchtáil. Tá An Post tar éis an ráthaíocht, ar €10 milliún é uasmhéid a dhliteanas, a thabhairt i leith tréimhse an Cheadúnais.

## 22. Board Approval

### Faomhadh an Bhoird

The financial statements were approved by the Board of Directors on 20 February, 2007.

D'fhaomhaigh an Bord Stiúrtha na ráitis airgeadais ar 20 Feabhra, 2007.

## Photo Captions



### Front Cover

#### Main Image

Lotto 6/45 Matrix Ballset

#### Clúdach Tosaigh

#### Príomhiomhá

Maitris Thacar Liathróide Lotto 6/45



### Winners – Pages 4 and 5

#### Main Image

Winning Streak 'Win A Million' Winner Brigid Foran from Wexford with Game show host Derek Mooney.

#### Buaiteoirí – Leathanaigh 4 agus 5

#### Príomhiomhá

Buaiteoir Winning Streak 'Win a Million', Brigid Foran ó Loch Garman le hóstach an tseóchlúiche, Derek Mooney.



### Agents – Pages 6 and 7

#### Main Image

National Lottery Retail Sales Agent Michelle McCullough in the Day-to-Day Newsagents, Mill Shopping Centre, Balbriggan, Co. Dublin.

#### Gníomhairí – Leathanaigh 6 agus 7

#### Príomhiomhá

Gníomhaire Miondiola an Chranchnuir Náisiúnta, Michelle McCullough, Siopa Nuachta Day-to-Day, Siopalann an Mhuilinn, Baile Brigin, Co. Bhaile Átha Cliath.



### Staff – Pages 8 and 9

#### Main Image

(L-R) Eamon Hughes, Laura Brady and Richard Fletcher – Prize Validation.

#### Foireann – Leathanaigh 7 agus 8

#### Príomhiomhá

(C-D) Eamon Hughes, Laura Brady agus Richard Fletcher – Promhadh Duaise.

### Small Images Íomhánna Beaga

1. Ann Byrne Knitwear Design syndicate, Lucan, Co Dublin win Lotto €247,374 in February. Buann sindeacáit Ann Byrne Knitwear Design, Leamhcán, Co. Bhaile Átha Cliath, €247,374 sa Lotto mí Feabhra.
2. Mary and John Brady, Co Meath, winners of a Fame & Fortune New York Trip in Times Square with Marty Whelan in November. Mary agus John Brady, buaiteoirí Turas go Nua Eabhrac i Fame & Fortune, i Times Square i bhfochair Marty Whelan mí na Samhna.
3. National Lottery Director Dermot Griffin, with Winning Streak 'Win a Million' winner Brigid Foran from Wexford, Nicholas Foran and Derek Mooney in December. Stiúrthóir an Chranchnuir Náisiúnta, Dermot Griffin, le buaiteoir Winning Streak 'Win a Million', Brigid Foran ó Loch Garman, Nicholas Foran agus Derek Mooney, mí na Nollag.
4. Ian O'Doherty and Sharon Gannon, Information Technology. Ian O'Doherty agus Sharon Gannon, Teicneolaíocht an Eolais.
5. Ronan Cooney, Prize Validation and Noel McTague, Security. Ronan Cooney, Promhadh Duaiseanna agus Noel McTague, Slándáil.
6. Linda Canavan, Marketing. Linda Canavan, Margaíocht
7. Sport: Derval O'Rourke. Spórt: Derval O'Rourke
8. Arts, Culture and National Heritage: Fabulous Beast Dance Company. Na hEalaíona, Cultúr agus an Oidhreacht Náisiúnta: Complacht Damhsa an Bheithigh Fhabhligh.
9. Ceoltas C.E. Comhaltas Ceoltóirí Éireann.

### Small Images Íomhánna Beaga

1. O'Connor Family, Co Tipperary win Lotto Plus 1 €300,000 in January. Muintir O'Connor ó Thiobraid Árann ag buachan duais €300,000 Lotto Plus 1 i mí Eanáir.
2. Anne Liston (centre) Co Limerick wins €100,000 Winning Streak Scratchcard Top Instant Prize in October. Buann Anne Liston (sa lár), Co. Luimnigh Bardhuais de €100,000 i dTobchluiche Scriobcháta Winning Streak mí Dheireadh Fómhair.
3. Julie and Michael Coyle, Donegal, winners of a Fame & Fortune New York trip in Times Square with Marty Whelan in November. Julie agus Michael Coyle, buaiteoirí Turas go Nua Eabhrac i Fame & Fortune, i Times Square i bhfochair Marty Whelan mí na Samhna.
4. Roadstone syndicate, Co Tipperary win Lotto €2,883,783 in October. Buann sindeacáit Roadstone, Co. Thiobraid Árann, €2,883,783 sa Lotto mí Dheireadh Fómhair.
5. An extended family group, 'Lotto Syndicate 34', Co Offaly win Lotto €1,514,836 in September. Buann grúpa ó theaghlach craobhaithe, 'Sindeacáit Lotto 34', Co. Uíbh Fhailí, €1,514,836 sa Lotto mí Mheán Fómhair.
6. Hodkinson's Centra Staff group, Co. Limerick win Lotto Plus 1 €300,000 in August. Buann grúpa foirne ó Hodkinson's Centra, Co. Luimnigh, €300,000 i Lotto Plus 1 mí Lúnasa.

### Small Images Íomhánna Beaga

1. National Lottery Retail Sales Agent, Brendan Moriarty, Co Kerry at the Royal Flush Poker Agent Sales Promotion in Dromoland Castle, Co. Clare in November. Gníomhaire Miondiola an Chranchnuir Náisiúnta, Brendan Moriarty, Co. Chiarraí, ag Blás Srathach (Royal Flush), ócáid chothaithe poiblíochta i gCaisleán Dhrom Ólainn, Co. an Chláir mí na Samhna.
2. National Lottery Retail Sales Agent Neil Freeman, Centra, Oranmore, Gerry McCormack, National Lottery Field Sales Representative, presenting Lisa Concannon, Co Galway with a Seat Leon car which she won in the 'Phoneplay' section of the Winning Streak TV Game show in November. Gníomhaire Miondiola an Chranchnuir Náisiúnta, Neil Freeman, Centra, Orán Mór. Ionadaí Diolacháin Páirce de chuid an Chranchnuir Náisiúnta, Gerry McCormack, ag bronnadh carr Seat Leon ar Lisa Concannon, Co. na Gaillimhe, a bhuaigh sí i gcuid 'Phoneplay' de Sheóchlúiche Teilifíse Winning Streak i mí na Samhna.
3. National Lottery Retail Sales Agents, Mary and John Coleman, Co. Cork, being presented with their bonus cheque for €12,500 by Field Sales Representative Martin Manley. The Colemans sold one of the two Irish EuroMillions tickets, each worth over €9.6 million, in November. Ionadaí Diolacháin Páirce an Chranchnuir Náisiúnta, Martin Moloney, ag bronnadh seic ar €12,500 ar Ghníomhairí Miondiola an Chranchnuir Náisiúnta, Mary agus John Coleman, Co. Chorcaí. Dhiol Muintir Coleman ceann den dá thicéad EuroMillions Éireannacha arbh fhiú os cionn €9.6 milliún an ceann iad, mí na Samhna.
4. National Lottery Retail Sales Agents (L-R) Padraig Lonergan, Philip Keegan and George Keegan from Co. Monaghan at the National Lottery Agent Race Day in Gowran Park, Kilkenny in October. Ghníomhairí Miondiola an Chranchnuir Náisiúnta (c-d) Padraig Lonergan, Philip Keegan agus George Keegan ó Cho. Mhuineacháin, ag Lá Rásaíochta Ghníomhairí an Chranchnuir Náisiúnta, i bPáirc Ghabhráin, Cill Chainnigh, mí Dheireadh Fómhair.
5. National Lottery Field Sales Representative George Canavan with National Lottery Agent James Bird in the Centra store in Navan, Co. Meath. Ionadaí Diolacháin Páirce an Chranchnuir Náisiúnta, George Canavan, le Gníomhaire Miondiola an Chranchnuir Náisiúnta, James Bird, i siopa Centra, An Uaimh, Co. na Mí.
6. National Lottery Retail Sales Agent Karen Doherty in Spar, Blackrock, Co. Dublin. Ionadaí Diolacháin Páirce an Chranchnuir Náisiúnta, Karen Doherty, i Spar, An Charraig Dhubh, Co. Bhaile Átha Cliath.

### Small Images Íomhánna Beaga

1. Anne Mahon, Public Relations. Anne Mahon, Cairdeamh Poiblí.
2. Paul Cronin and Brian Doyle, Stock Control. Paul Cronin agus Brian Doyle, Rialú Stoic.
3. Niamh McGovern, Reception. Niamh McGovern, Fáiltiú.
4. Aidan O'Connell and Kevin Carr, Information Technology. Aidan O'Connell agus Kevin Carr, Teicneolaíocht Faisnéise.
5. Anne McGinn, Marketing. Anne McGinn, Margaíocht.
6. Karen Carton and Fiona Flanagan, Information Technology Networks. Karen Carton agus Fiona Flanagan, Líonraí Teicneolaíocht Faisnéise.







An Post National Lottery Company

COMHLACHT CRANNCHUR NÁISIÚNTA AN POST

Abbey Street Lower, Dublin 1, Ireland

Sráid na Mainistreach Íochtarach, Baile Átha Cliath 1, Éire



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